Kenningtons Primary Academy

Finance, Audit and Risk and Resources Committee

Terms of Reference 2025 / 2026 v1

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Members
Ashley Anzie (Chair of Committee)
David Pavitt
Jayne Shea (Business Manager)
Jo Sawtell-Haynes (Accounting Officer)
Sarah Sayers
Roger White
Dintie Mahama

The Finance Audit and Risk and Resources Committee shall consist of at least three named members of the Governing Body, none of whom shall be associate members.

Quorum
The quorum of the Committee will be 3 members.

Finance

1. To consider The Academy's indicative funding, notified annually by the DfE, and to assess its implications for the Academy in consultation with the Headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the Governing Body.
2. To consider and recommend acceptance/non-acceptance of the Academy's budget at the start of the financial year to the Governing Body.
3. To contribute to the formulation of the Academy's improvement plan, through the consideration of financial priorities and proposals, in consultation with the Headteacher, with the stated and agreed aims and objectives of the Academy.
4. To receive and make recommendation on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the improvement priorities set out in the improvement plan.
5. To make recommendations to Committees and the Governing Body about the financial matters being considered by them.
6. To monitor and review expenditure and reserves on a regular basis and ensure compliance with the overall financial plan for the Academy, and with the financial regulations of the DfE, drawing any matters of concern to the Governing Body.
7. To monitor and review procedures for ensuring the effective implementation of bank account arrangements and where appropriate make recommendations for improvement.
8. To prepare the financial statement to form part of the annual report of the Governing Body for filing in accordance with the Companies Act and Charity Commission.
9. To recommend to the Full Governing Body the appointment or reappointment of the auditors to the Academy.
10. To annually review the Charging, Refunds & Remissions Policy.
11. To ensure as far as is practical that Health and Safety issues are appropriately prioritised.

12. To determine whether sufficient funds are available for pay increments as recommended by the Headteacher.

13. To establish and review the Business Continuity / Disaster Recovery Plan.

14. To make decisions in respect of Service Agreements, Contracts and Insurance (buildings and liability) and to report to the Governing Body.

15. To maintain an overview of and ensure an up-to-date asset register is maintained together with an annual inventory.

16. To review and agree all policies relating to Finance.

17. To prepare Financial Regulations document for agreement by Governing Body.

Audit & Risk

1. To review the Academy's internal and external financial statements and reports to ensure that they reflect best practice.
2. To discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation.
3. To consider reports on the Academy's account, achievement of value for money and the response of any management letters
4. To review the effectiveness of the Academy's internal control systems established to ensure that the aims, objectives and key performance targets of the Academy are achieved in the most economical, effective and environmentally preferable manner.
5. To ensure that the Academy's internal audit service meets, or exceeds, the standards specified in the Government Audit Manual.
6. To consider internal audit reports including value for money reports and the arrangements for their implementation.
7. The Finance Audit and Risk and Resources Committee is authorised to obtain independent professional advice if it considers this necessary.

Internal Scrutiny

The Academy will have a programme of internal scrutiny to provide independent assurance to the Governing Body that its financial and non-financial controls and risk management procedures are operating effectively. This internal scrutiny will focus on:

- evaluating the suitability of, and level of compliance with, financial and non-financial controls
- offering advice and insight to the board on how to address weaknesses in financial and non-financial controls
- ensuring all categories of risk are being adequately identified, reported and managed

The Academy will identify on a risk-basis (with reference to its risk register) the areas it will review each year.

Internal scrutiny should take account of output from other assurance procedures to inform the programme of work – for example external audit and DfE reviews. This will form the basis for the internal scrutiny plan for the year.

Independence in internal scrutiny must be achieved by establishing appropriate reporting lines, whereby those carrying out checks report directly to the Finance Audit and Risk and Resources Committee, which in turn provides assurance to the Governing Body.

The programme of internal scrutiny work is agreed by the Finance Audit and Risk and Resources Committee who must:

- oversee and approve the trust's programme of internal scrutiny
- ensure that risks are being addressed appropriately
- report to the board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks
- agree a programme of work annually to deliver internal scrutiny that provides coverage across the year, agree who will perform the work and consider their reports and the trust's progress in addressing recommendations
- review the ratings and responses on the risk register to inform the programme of work
- have access to the external auditor, as well as their internal scrutineers
- ensure the programme of work is spread appropriately over the year so higher risk areas are reviewed in good time
- ensure regular updates are provided to the Finance Audit and Risk and Resources Committee by the internal scrutineers carrying out the programme of work, incorporating:
    - a report of the work to each Finance Audit and Risk and Resources Committee meeting
    - an annual summary report to the Finance Audit and Risk and Resources Committee for each year ended 31 August outlining the areas reviewed, key findings, recommendations and conclusions, to help the committee consider actions and assess year on year progress

Whilst the Finance Audit and Risk and Resources Committee is responsible for overseeing the internal scrutiny, the findings must also be made available to all trustees promptly.

Risk Management

Risk Management will focus on :

- overall responsibility for risk management, including ultimate oversight of the risk register, must be retained by the Governing Body, drawing on advice provided to it by the Finance Audit and Risk and Resources Committee;
- aside from any review by individual committees, the board should review the risk register frequently and must conduct a full review of it at least annually; and
- risk management covers the full operations and activities of the Academy ~~trust~~, not only financial risks.

Premises

1. Consider all matters relating to the buildings and grounds, including security and health and safety matters.
2. Inspect the premises at least annually and present a statement of priorities for maintenance and development for the approval by the Governing Body.
3. Ensure the Academy complies with Health and Safety regulations.
4. On behalf of the Governing Body, prepare, implement and evaluate a Health and Safety Policy in line with legislation.
5. Ensure that recommendations for action following inspections and audits are satisfactorily carried out.

Pay & Personnel

1. To determine and implement the Pay Policy for all Staff (excluding the Headteacher)
2. To advise the Governing Body on current and future pay levels.
3. To ratify appropriate salary ranges and starting salaries for members of the leadership group.
4. To ratify annual pay progression for teachers (by 31st October at the latest) and support staff as set out in the Pay Policy, taking account of any recommendations made on the Performance Management review statement, in accordance with the approved Pay Policy.
5. To approve applications to be paid on the Upper Pay Range.
6. To determine the application of national inflationary increases as required.

7. To monitor and report to the full Governing Body on the annual pattern of performance pay progression at each level and the correlation between pay progression, quality of teaching and outcomes for pupils.
8. To monitor and report to the Full Governing Body on Staff CPD.

Disqualification

1. Any relevant person employed to work at the Academy other than the Headteacher when the subject for consideration is the pay or performance review of any person employed to work in the school.

2. The Responsible Officer.

Frequency

At least once a term