

Finance & Resources Committee

Terms of Reference for Brooke Weston Trust (2021/22)

1. Constitution

- 1.1 The Brooke Weston Trust (the “Trust”) is governed by a Board of Directors (the “Directors” or “Trustees”) which is responsible for, and oversees, the management and administration of the Trust and its Academies.
- 1.2 As provided by Articles 100-104 of the Articles of Association, the Directors:
 - i. may appoint separate committees to be known as Local Governing Bodies for each Academy; and
 - ii. may establish any other committee
- 1.3 The Board of Directors of Brooke Weston Trust hereby resolves to establish a committee of the Trust Board to be known as the “Finance and Resources Committee”.

2. Membership

- 2.1 The Committee shall be comprised of at least three members and a maximum of six members, including at least one Director of the Board (one of whom will be the Chairperson of the Board).
- 2.2 The appointment of members to the Finance and Resources Committee shall be approved by the Board of Directors.
- 2.3 Members of the Committee may serve for a term of not more than four years, renewable only by the Board at their discretion, with a recommended maximum of two four year terms.
- 2.4 The Committee shall at the first meeting elect a member to act as the Chair of the Committee. The Committee will elect a temporary replacement from among the members present at the meeting in the absence of the Chair.
- 2.5 No person may act as Chair unless they are also a member of the Trust Board.
- 2.6 The Committee may invite attendance at meetings from persons who are not Directors or members to assist or advise on a particular matter or range of issues i.e. the Chief Executive Officer, CFO or Financial Controller. Such persons may speak with the permission of the Chair but shall not be entitled to vote.
- 2.7 The Committee will elect a Clerk to the Committee who will take notes of meetings.

3. Remit and Responsibilities

The Committee shall be responsible for the matters set out below:

Overall purpose and responsibility

- 3.1 To assist the Board of Directors in fulfilling its responsibilities with respect to the monitoring and oversight of the Trust’s financial strategy, and to consider policies, procedures and plans to achieve this strategy.
- 3.2 To maintain oversight on the delivery of the operational strategies and service areas for the Trust, to include:
 - Financial planning, budget-setting, performance analysis, financial reporting
 - Estates investments and management planning
 - IT investment to provide secure, responsive and reliable IT capabilities
 - Procurement processes and outcomes

Governance: Terms of Reference**3.3 Strategy**

To be responsible for the oversight of the financial and operational strategies of Brooke Weston Trust, through the consideration of financial and operational priorities and proposals of the CFO, CEO and senior leaders taking the significant risk factors into account.

3.4 To monitor progress against priorities identified within the financial and operational strategies and to provide assurances to the Board of Directors.

3.5 In its activities, ensuring financial compliance, probity and sustainability in the management of public funds. To review the adequacy of finance-related policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements.

3.6 Overseeing significant investment and capital financing decisions and maintaining oversight of all major corporate projects and report on progress to the Board of Directors. Approvals are made in line with the Scheme of Delegation.

3.7 Risk Management

Alongside the Audit and Risk Committee, to maintain and regularly review the Trust's strategic risk register on items relating to finance or operations.

3.8 To notify promptly the Trust Board of all financial or operational matters of which the Committee has knowledge, and which may materially affect the current or future position of the Trust.

3.9 To ensure that any significant losses are investigated and reported to the ESFA where required.

3.10 Budget

To receive academies' budgets for approval and to consider and recommend acceptance/nonacceptance of the Trust's budget to the Board of Directors.

3.11 To be responsible for ensuring that financial performance is actively monitored against budget throughout the academic year. Responsibilities to include:

- considering each of the Trust's indicative funding, notified annually by the DfE/ESFA and to assess its implications for the academies, encouraging additional/creative approaches to funding through income generation;
- monitoring and reviewing expenditure on a regular basis to ensure compliance with the overall financial plan for the Trust;
- consideration of the level and use of any contingency funds or balances, ensuring the compatibility of all such proposals with the development priorities set out by the Board of Directors and in the Trust's strategic plans;
- reviewing and recommending plans to address identified over or underspends for Board ratification, drawing any matters of significance or concern to the attention of the Board.

3.12 To liaise with and receive reports from appropriate committees (i.e. Remunerations Committee, Strategic Delivery Group, Education Standards Committee) and highlight recommendations to those committees about the financial aspects of matters being considered by them.

3.13 To review and make recommendations to the Board on the annual top-slice for the central team services, reviewing the effectiveness and value for money delivered by these services.

3.14 Accounts

To work alongside the Audit and Risk Committee in the review of the annual accounts and financial statements, prior to Board approval, paying particular attention to:

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- the application of significant accounting policies and any changes to them;
- the methods used to account for significant or unusual transactions where different approaches are possible;
- compliance with DfE, legal requirements and accounting standards;
- significant adjustments resulting from the audit;
- the extent to which the financial statements are affected by any unusual or complex transactions in the year and how they are disclosed;
- whether the Trust has adopted appropriate accounting policies and made appropriate estimates and judgements, taking into account the external auditor’s views on the financial statements; and
- all material information presented with the financial statements, including the strategic report and the corporate governance statements relating to the audit and to risk management;
- ensuring that statutory deadlines for submission to Companies House and ESFA are met.

3.15 Financial Procedures and Compliance

To monitor and review procedures for ensuring the effective implementation and operation of financial procedures and policies on a regular basis and where appropriate make recommendations for improvement.

3.16 To review the reports and recommendations of the financial external and internal audit, together with the appropriateness of management’s response. To monitor the implementation of action agreed by management in response to reports.

3.17 To approve and keep under review the Trust's investment policy and reserves policy.

3.18 Other matters

The committee shall:

- Review or investigate any other matters referred to the Committee by the Trust Board regarding delivery of the financial or operational strategy or service;
- Draw any significant recommendations and matters of concern to the attention of the Trust Board, and in cases of urgent matters directly to members of the Trust Board;
- Have access to sufficient resources in order to carry out its duties, including access to the MAT’s governance function for advice and assistance as required;
- Be provided with appropriate and timely training, both in the form of an induction programme for new members of the committee and on an ongoing basis for all members of the committee;
- To review, on a regular basis, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness.

4. Proceedings

4.1 Meeting frequency – The Committee will meet as often as is necessary to fulfil its responsibilities but at least four times a year, in line with the Trust’s financial calendar.

4.2 Notice of meeting – The Clerk to the Committee shall give written notice of each meeting and circulate an agenda and any other reports or papers, provided by the Chair and CEO, to be considered at the meeting. This will be circulated at least seven clear days in advance of each meeting.

4.3 Any two members may call a meeting by giving written notice to the Clerk, which includes a summary of the business they wish to carry out. It shall be the responsibility of the Clerk to convene a meeting as soon as reasonably practicable.

4.4 Quorum – A quorum shall consist of two members of the Committee, plus the CEO and Finance Director.

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- 4.5 Voting** – Every matter to be decided at a meeting of the Committee must be determined by a majority of the votes of the members present and voting on the matter.
- 4.6** Each member present in person shall be entitled to one vote.
- 4.7** Where there is an equal division of votes the Chair shall have a casting vote.
- 4.8** If a member is unable to attend a meeting where a vote is to be made, the member must appoint either the Chair or another member of the Committee as their proxy to vote in their name and on their behalf, confirming if they are voting for or against the proposal.
- 4.9 Declaration of Interests** – Committee Members are required to complete a declaration of interest form on joining the Board and at the start of each academic year.
- 4.10** Each Committee Member, if present at a meeting of the Committee, must disclose their interest, withdraw from the meeting and not vote on a matter if:
- there may be a conflict between their interests and the interests of the Trust;
 - there is reasonable doubt about their ability to act impartially in relation to a matter where a fair hearing is required; or
 - they have a personal interest; e.g. where they and/or a close relative will be directly affected by the decision of the Board in relation to that matter.
- 4.11 Attendance** – A register of attendance shall be kept for each Committee meeting and published annually on the Trust website.
- 4.12** Any Member or Director of the Board may attend of the Finance & Resources Committee, provided that notice of attendance is provided to the clerk in advance.

5. Authority

- 5.1** The Committee is authorised by the Trust Board to:
- 5.1.1** obtain appropriate external legal and other professional advice in order to fulfill its responsibility to the Board of Directors
- 5.1.2** carry on any activity authorised by these terms of reference; and
- 5.1.3** seek any appropriate information that it requires from any officer of the Trust and all officers shall be directed to co-operate with any request made.

6. Reporting Procedures

- 6.1** Within 14 days of each meeting the Committee will (together called the Committee Reports):
- produce and agree minutes of its meetings;
 - prepare a summary document identifying (1) decisions made, (2) recommendations to the Trust Board, (3) items for information for the Trust Board and (4) items for further discussion by the Trust Board.
 - the Committee Reports will be sent to all members of the Trust Board prior to each Board of Directors meeting .
- 6.2** The Committee shall arrange for the production and delivery of such other reports or updates as requested by the Trust Board from time to time. Meeting documentation is made available to the Trust Board through an online information sharing platform.
- 6.3** The Chair of the Finance and Resources Committee or, as a minimum, another member of the Committee, shall attend the Trust Board meeting at which the annual accounts and financial statements are approved.

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- 6.4 The Committee shall conduct an annual review of its work and these terms of reference and shall report the outcome and make recommendations to the Trust Board.

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