

Terms of Reference for the Reach South Board Finance Committee

The board of trustees (the **Trust Board**) of Reach South Academy Trust (the **Academy Trust**) has established a committee of the Board to be known as the Finance Committee (the **Committee**). These are its terms of reference.

Membership

The Committee will be appointed by the Trust Board and will comprise no more than five and no fewer than three members, of whom a majority will be Trustees.

The Board will appoint one of the members of the Committee as its Chair (the **Chair**).

The Committee will elect a Clerk to the Committee.

Attendance

The Committee may ask the Chief Executive and the Finance Director and any other senior executive to attend meetings of the Committee either regularly or by invitation, to provide information.

The Committee will have at least one annual meeting, or part of one meeting, with each of the external auditor and the head of internal audit without the senior executives being present.

Voting

The quorum for each meeting shall be one half of the members of the Committee rounded up. Decisions of the Committee shall be taken by a simple majority of those present and voting. The Chair will have a casting vote on an equality of votes.

Meetings

The Committee shall meet termly on such dates as shall be determined by the Committee from time to time and at such other time as the Clerk shall specify at the request of any member of the Committee.

Unless otherwise agreed, notice of each meeting confirming the venue, date and time together with an agenda shall be sent to each member of the Committee and any other person invited or required to attend no fewer than seven working days prior to the date of the meeting.

Minutes

The Clerk will minute the proceedings and resolutions of the Committee and ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

Minutes of each Committee meeting will be sent to all members of the Committee and the Trust Board within seven working days of the meeting.

Authority

The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

The Committee is authorised by the Trust Board to obtain outside legal or other independent professional advice and to secure the attendance of any person at any Committee meeting with relevant experience and expertise if it considers this necessary.

Duties

The duties of the Committee shall be to:

- develop a financial strategy for the Academy Trust and consider policies, procedures or plans required to realise such strategy
- consider the Academy Trust's indicative funding, once notified by the EFA, and to assess its implications for the Academy Trust, in consultation with the CEO and the Finance Director, in advance of the financial year, drawing any matters of significance or concern to the attention of the Trustees
- to receive Regional Academies' budgets for approval from the Regional Boards' Finance Committees
- consider and recommend acceptance/non-acceptance of the Academy Trust's budget to the Trustees
- monitor any variances from the budget and ensure the EFA is notified as required;
- receive and make recommendations 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 compatibility of all such proposals with the development priorities set out in the Academy Trust development plan
- liaise with and receive reports from the Human Resources Committee, the Educational Standards and Performance Committee and the to make recommendations to those committees about the financial aspects of matters being considered by them
- monitor and review income and expenditure on a regular basis and ensure compliance with the overall financial plan for the Academy Trust, drawing any matters of concern to the attention of the Trust Board
- monitor and review procedures for ensuring the effective implementation

and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement

- prepare the financial statement to form part of the annual report of the Trustees
- ensure the Academy Trust's commercial and fundraising activities are carried out effectively
- examine and review new initiatives for financial development, including fundraising
- oversee significant investment and capital financing decisions
- approve and keep under review the Academy Trust's investment policy
- approve and keep under review the Academy Trust's reserves policy
- promptly notify the Trust Board of all financial matters of which the Committee has knowledge and which may materially affect the current or future position of the Academy Trust
- advise generally on the provision of resources and services to the Academy Trust
- to review, on a regular basis, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness

Terms of Reference for the Remuneration Sub-Committee

The Committee shall establish a Remuneration Sub-Committee (the **Sub-Committee**), which shall comprise no more than five and fewer than three members of whom a majority will be trustees.

These terms of reference shall apply to the Sub-Committee save that its duties are as follows:

- to consider, determine and keep under review a framework or policy for the remuneration, benefits and incentives of the Chief Executive Officer and such other members of the Executive Team as the Trust Board shall from time to time direct
- in determining that framework, to seek evidence of the remuneration, benefits and incentives paid to senior executives in comparable employment within the commercial and voluntary sectors
- to consider the outcome of every appraisal of the performance of the Chief Executive Officer and such other senior executives as the Board shall from time to time direct
- to make recommendations to the Trust Board as to the remuneration, benefit and incentives that should be paid to the Chief Executive Officer and such other senior executives as the Trust Board shall from time to time direct with a view to ensuring that they are encouraged to enhance their performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Academy Trust and its progress towards fulfilling its objectives
- to make recommendations to the Trust Board as to the remuneration, benefits and incentives of newly appointed senior executives
- to determine the policy for and scope of pension arrangements, service agreements for senior executives, termination payments and compensation commitments
- to consider other topics, as defined by the Trust Board from time to time
- to review, on a regular basis, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness