

## **Reach South Academy Trust**

### **Audit and Risk Committee**

#### **Terms of Reference 2026-27**

##### **1. Purpose**

The Audit and Risk Committee is a committee of the Board of Trustees established to provide independent assurance regarding the adequacy and effectiveness of the Trust's risk management, internal control, governance, compliance and assurance frameworks. It supports the Board in fulfilling its responsibilities for financial stewardship, accountability and risk oversight.

The Committee provides scrutiny and assurance regarding the effectiveness of internal scrutiny, external audit, risk management arrangements and regulatory compliance across the Trust.

The Committee operates within the Reach South Academy Trust Scheme of Delegation and reports directly to the Board of Trustees.

##### **2. Authority**

The Committee is authorised by the Board of Trustees to:

- Investigate any matter within its terms of reference
- Seek information from any employee of the Trust
- Request reports and presentations from members of the Executive Team and other relevant individuals
- Commission reviews and obtain independent professional advice where appropriate
- Meet with internal scrutiny providers and external auditors without members of the Executive Team being present
- Make recommendations to the Board of Trustees on matters within its remit

The Committee has no executive powers other than those specifically delegated by the Board.

##### **3. Membership**

The Committee shall comprise:

- No fewer than three and no more than five members.
- A majority of members must be Trustees.
- Employees of the Trust may not be members.
- The Chair shall be appointed by the Board of Trustees.
- The Chair of the Board may be a member of the Committee but shall not serve as Chair of the Committee

The Chief Executive Officer, Chief Financial Officer and other senior leaders may attend by invitation

Representatives of the internal scrutiny provider and external auditor may attend meetings as required. The Committee shall meet annually with both parties without members of the Executive Team present

The Governance Professional shall clerk the Committee.

#### **4. Meetings**

The Committee shall meet at least three times each academic year, with additional meetings arranged where necessary

Meetings may be convened by the Governance Professional in consultation with the Chair

Agenda papers shall normally be circulated at least five working days in advance.

The quorum for any meeting shall be one half of the membership, rounded up, with a majority of those present being Trustees

Decisions shall be made by a simple majority of those present and voting. The Chair shall have a casting vote where votes are equal

#### **5. Responsibilities**

The responsibilities of the Committee are set out in full in Appendix 1.

The Committee provides assurance to the Board through scrutiny of the following key areas:

- Internal scrutiny and assurance
- External audit and financial reporting
- Risk management and internal control
- Regulatory compliance
- Fraud, whistleblowing and irregularity
- Business continuity and resilience
- Estates, health and safety assurance
- Cyber security, data protection and information governance
- Governance assurance and committee effectiveness

In fulfilling its responsibilities, the Committee focuses on independent scrutiny and assurance rather than operational management

#### **6. Reporting**

The Committee shall:

- Provide reports and recommendations to the Board of Trustees following each meeting
- Highlight significant risks, control weaknesses and compliance concerns
- Monitor implementation of audit recommendations and agreed actions
- Provide an annual assurance report to the Board summarising the assurances obtained during the year
- Escalate significant concerns promptly to the Board of Trustees

#### **7. Review**

These Terms of Reference shall be reviewed annually by the Committee and recommended to the Board of Trustees for approval.

## Appendix 1:

| Area                                             | Responsibilities                                                                                                                                                 |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Audit, Internal Scrutiny and Financial Reporting | Oversee the Trust's programme of internal scrutiny in accordance with the Academy Trust Handbook.                                                                |
|                                                  | Approve the annual internal scrutiny programme.                                                                                                                  |
|                                                  | Receive and review reports from internal scrutiny providers, external auditors and other assurance bodies.                                                       |
|                                                  | Monitor implementation of audit recommendations and management responses.                                                                                        |
|                                                  | Review the annual report and financial statements and advise the Board and Members regarding the appointment, reappointment or retendering of external auditors. |
|                                                  | Monitor the effectiveness, independence and performance of the external auditor.                                                                                 |
| Risk Management and Internal Control             | Scrutinise the effectiveness of the Trust's risk management framework and internal control environment.                                                          |
|                                                  | Review the Trust Risk Register and monitor emerging strategic and operational risks.                                                                             |
|                                                  | Consider whether risks are appropriately identified, assessed, mitigated and reported.                                                                           |
|                                                  | Advise the Board regarding the Trust's overall risk profile and exposure.                                                                                        |
| Compliance, Governance and Assurance             | Receive assurance regarding compliance with the Academy Trust Handbook and relevant company, charity and education legislation.                                  |
|                                                  | Review significant compliance breaches and monitor corrective action.                                                                                            |
|                                                  | Receive assurance regarding the accuracy and completeness of statutory reporting.                                                                                |
|                                                  | Provide assurance to the Board regarding the adequacy of governance, control and assurance arrangements.                                                         |
| Fraud, Whistleblowing and Integrity              | Monitor the effectiveness of arrangements for preventing, detecting and responding to fraud, irregularity and misconduct.                                        |
|                                                  | Review the operation of whistleblowing arrangements.                                                                                                             |
|                                                  | Receive reports regarding significant control failures, fraud or irregularity and monitor corrective actions.                                                    |
| Operational Resilience and Security              | Receive assurance regarding business continuity arrangements and organisational resilience.                                                                      |
|                                                  | Monitor preparedness for major incidents and emergency situations.                                                                                               |
|                                                  | Receive assurance regarding estates, health and safety compliance and other significant operational risks.                                                       |
|                                                  | Receive assurance regarding cyber security, data protection and information governance arrangements.                                                             |
|                                                  | Review significant cyber incidents, data breaches and emerging technology risks.                                                                                 |
| Committee Effectiveness                          | Review the Committee's effectiveness, membership and Terms of Reference annually.                                                                                |
|                                                  | Support continuous improvement in governance, risk management and assurance across the Trust.                                                                    |