

Reach South Academy Trust

Finance Committee

Terms of Reference 2026–27

1. Purpose

The Finance Committee is a committee of the Board of Trustees established to provide scrutiny, challenge and assurance regarding the financial sustainability, resource management and operational efficiency of the Trust.

The Committee supports the Board in fulfilling its responsibilities for financial stewardship, value for money, budget oversight, resource allocation and long-term financial planning.

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
- Scrutinise financial plans, budgets, forecasts and management information
- Commission reviews and obtain independent professional advice where appropriate
- 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
- The Chair shall be appointed by the Board of Trustees
- At least one member should have recent and relevant financial expertise

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

The Governance Professional shall clerk the Committee

The Committee may invite individuals with specialist financial, estates, procurement or commercial expertise to attend meetings where appropriate

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:

- Financial strategy and sustainability
- Budget setting and financial performance
- Resource allocation and value for money
- Financial forecasting, reserves and investments
- Funding, income generation and fundraising
- Estates strategy and capital investment
- Procurement and contract management
- Financial compliance and stewardship
- Operational efficiency and resource planning

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

6. Reporting

The Committee shall:

- Provide reports and recommendations to the Board of Trustees following each meeting
- Review financial performance against budget and strategic objectives
- Highlight emerging financial risks, pressures and opportunities
- Recommend annual budgets and medium-term financial plans to the Board for approval
- Escalate significant concerns promptly to the Board of Trustees

Appendix 1:

Area	Responsibilities
Financial Strategy and Sustainability	Review and recommend the Trust's financial strategy to the Board
	Consider the financial implications of strategic priorities, growth opportunities and organisational change
	Monitor the Trust's long-term financial sustainability and resilience
Budget, Forecasting and Financial Performance	Scrutinise the annual budget and recommend it to the Board for approval
	Review indicative funding allocations and medium-term financial forecasts
	Monitor financial performance against approved budgets and challenge significant variances
	Review management accounts, cash flow and key financial performance indicators
Resource Allocation and Value for Money	Review the allocation and deployment of resources to ensure alignment with strategic priorities
	Monitor value for money, benchmarking information and efficiency measures
	Advise the Board regarding the effective use of public funds and Trust resources
Reserves, Investments and Funding	Review and recommend the Trust's Reserves and Investment Policies
	Monitor reserves, restricted funds and significant funding streams
	Receive assurance regarding fundraising, commercial activities and opportunities for income generation
Estates Strategy and Capital Investment	Review and recommend the Trust Estates Strategy and Asset Management Plan
	Scrutinise major capital projects and investment proposals
	Monitor the affordability and financial implications of estates investment
Procurement and Financial Stewardship	Receive assurance regarding procurement arrangements, contract management and financial controls
	Review significant contracts and strategic procurement activity where appropriate
	Monitor compliance with the Academy Trust Handbook, Trust financial regulations and delegated financial controls
	Monitor implementation of recommendations arising from financial reviews and audits
Operational Efficiency and Resource Planning	Review workforce, estates and operational costs from a strategic financial perspective
	Consider opportunities to improve organisational efficiency and effectiveness
	Liaise with other Board Committees where financial implications arise from matters within their remit