



# The Harefield Academy

## Terms of reference for the Finance Committee

### General Terms

- To act on matters delegated by the full governing body.
- To liaise and consult with other committees where necessary.
- To contribute to the Academy Improvement Plan.
- To consider safeguarding and equalities implications when undertaking all committee functions.

### Membership

The Governing Body shall determine and review annually at the first meeting of the academy year, the establishment of the terms of reference, constitution and membership of the committee. The Business Manager and The Finance Manager will be associate members of this committee. Membership should be a minimum of 3 governors, the Principal or other agreed representative and Associate members as appropriate.

### Chairing

The committee will appoint the Chair and Vice-Chair of the committee.

### Attendance

Members of the committee, the Principal (or agreed representative) and if required the clerk to the governing body have a right to attend committee meetings. Any other member of the governing body may also attend and the committee may allow other persons to attend.

### Quorum

Committees are free to determine their own quorum, but at least two governor members must be present at each meeting.

### Meetings

- The Committee shall meet at every half term; any additional meetings will be called as and when necessary. At least 7 days' notice must be given when calling a meeting.
- The Committee meetings will not be open to the public but minutes shall be made available. Information relating to a named person or any other matter that the committee considers confidential does not have to be made available for inspection.
- In the absence of the chair, the vice chair will chair the meeting.
- The committee from their number will minute the meeting.
- The draft minutes of each meeting will be circulated with the agenda for the next ordinary meeting of the full governing body and will be presented at that meeting by the chair (or in his/her absence another member of the committee).
- Any decisions taken must be determined by a majority of votes of committee members present and voting – but no vote can be taken unless a majority of those present are governors.

## **Financial Policy and Planning**

- To review, adopt and monitor a Finance Policy which includes the local scheme of delegation for spending and budgetary adjustments for the committee, Principal and other nominated staff.
- To review, adopt and monitor all additional financial policies, including a charging and remissions policy.
- To establish and maintain a three year financial plan, taking into the account priorities of the Academy Improvement Plan, roll projection and signals from central government and (if applicable) the LA regarding future years' budgets, within the constraints of available information.
- To draft and propose to the governing body for adoption an annual Academy Budget taking into account the priorities of the Academy Improvement Plan.
- To make decisions in respect of service level agreements.
- To ensure that sufficient funds are set aside for pay increments as set out in the Pay Policy and as recommended by the Principal.
- To ensure that the Academy is staffed sufficiently for the fulfilment of the Academy's development plan and the effective operation of the Academy.
- To consult with the Pay Review panel annually regarding all categories of staff.
- In consultation with staffing to oversee any process leading to staff reductions.
- To establish the annual and longer-term salary budgets and other costs relating to personnel, e.g. training.

## **Financial Monitoring**

- To monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan and with due regard for the requirements of the Academies Financial Handbook and the Academy Funding agreement.
- To receive at least termly budget monitoring reports from the Principal.
- To report back to each meeting of the full governing body and to alert them of potential problems or significant anomalies.
- Subject to the local scheme of delegation, to approve any budgetary adjustments that will from time to time be necessary in response to the evolving requirements of the Academy.
- To recommend to the full governing body proposals for the delegation of authority to the Principal to take action on minor items of repair and maintenance work subject to a specified financial limit, set at £10,000.
- To recommend the amount which can be vired between budget headings by the Principal without prior agreement of the finance committee.

- To review the Asset Management Plan and develop a rolling programme of repairs and maintenance. To approve the costs and arrangements for maintenance, repairs and re-decoration, within the budget allocation.
- To attend or commission appropriate governor training.
- To agree procedures to be followed for carrying out emergency work and to make recommendations about delegation to the Principal for taking appropriate action on behalf of the governing body in the event of an emergency.
- To monitor the work of appointed contractors, in the preparation and implementation of contracts and to monitor and review arrangements for cleaning, grounds maintenance and school meals in line with the financial procedures agreed by the governing body.
- To monitor the impact of spending decisions upon educational achievement in the school.
- To review and monitor the school website for compliance.

**Academies:**

- To prepare the Trustees Report to form part of the Statutory Accounts of the governing body and for filing in accordance with Companies Act requirements.
- To receive auditors' reports and to recommend the governing body action as appropriate in response to audit findings.
- To recommend to the full governing body the appointment or reappointment of the auditors.

***The Principal is authorised to commit expenditure without the prior approval of the committee in any emergency where delay would result in further damage or present a risk to the health and safety of pupils or staff. In this event the Principal would normally be expected to consult the committee chair at the earliest opportunity.***