

CENTURION MULTI ACADEMY TRUST

Board of Trustees

FINANCE, AUDIT, RISK & PERSONNEL COMMITTEE**Terms of Reference**

1. The role of the committee

The Board is responsible for facilitating a Trust approach to Finance, Audit and Risk management. CMAT delegates oversight of this responsibility to the Finance, Audit & Risk committee.

The purpose of the Finance, Audit & Risk committee is to evaluate the financial performance of the organisation and ensure finance resources are used appropriately and in accordance with the objectives of the organisation.

To ensure that appropriate advice and recommendations are made to the Board to ensure the ongoing viability of the organisation occurs.

To advise on the adequacy of financial and other controls and risk management arrangements in the trust, and it must also direct a programme of internal scrutiny and consider the results and quality of any external audit.

Finance, Audit & Risk committee updates will remain a standard agenda item at each meeting of the Trust Board.

From 1st September 2025, the Trust Board streamlined the committee structure with the Finance, Audit & Risk committee also assuming responsibilities of the Business Committee; with responsibility for facilitating a Trust approach to Personnel, Performance Management and Remuneration, Health and Safety and Premises management.

2. Membership and quorum

The committee will be appointed by the Trust Board.

The Chair of the committee will be elected from the membership of the Trust Board on an annual basis during the first Autumn meeting of the academic year. The Chair must not be the Chair of the Trust Board. The CEO and CFO will attend the meetings to provide reporting to the committee.

The minimum number of Trustees on the committee will be three.

The quorum for the committee will be three.

Only appointed members of the committee will have the right to vote on any matters.

The committee may appoint non-voting members who are able to provide advice to the committee – any non-voting members will be approved by the Trust Board.

3. Term of office

The committee will be appointed annually by the Trust Board. Members of the committee will hold office from either the date of

their appointment until their resignation, or their omission from membership of the committee on subsequent consideration by the Trust Board – whichever occurs first.

4. Meetings

The committee will meet as often as is necessary to fulfil its responsibilities, and at least once per term.

The Chair of the committee, or any two committee members, will only call unscheduled meetings where necessary, and only as long as appropriate notice of at least seven days is given to other members. A shorter notice will only be given where the Chair of the committee decides a particular safeguarding issue requires addressing immediately.

The frequency and dates for committee meetings will be decided before the first Autumn term of the academic year.

The committee may invite non-members to meetings to assist or advise on a particular matter. These attendees will not be entitled to vote on any matters.

Every matter to be decided upon will be determined by a majority vote – where there is an equal division of votes, the Chair will have the deciding vote. Each member of the committee that is present at the meeting will be entitled to one vote.

A register of attendance will be kept for each meeting, and this will be published on the Trust website.

5. Roles and responsibilities

The function of the committee is to advise the rest of the Trust Board on matters relating to Finance, Audit & Risk management, Personnel, Performance Management and Remuneration, Health and Safety and Premises and must operate within the Trust scheme of delegation and is authorised by the Board to:

Authority

Reference number	Duty description
1	Appoint the Internal Auditor.
2	Agree the programme of internal audit.
3	Investigate any activity within its terms of reference.
4	Seek any information that it requires from any Trustee, Academy Education Board Governor or Employee of the Trust and its Schools.
5	Obtain outside legal or independent professional advice.

Finance

Reference number	Duty description
1	Monitor the financial performance of the organisation by reviewing and approving the financial reports that are presented at each FARC meeting.
2	Ensure financial reports are prepared that accurately reflect the financial performance of the organisation, are compared against the budget and key performance indicators.
3	Ensure all accounts are reconciled each month with any errors or significant variations reported to the FARC for review.
4	Review financial policies including the financial Scheme of Delegation and make recommendations to the Trust for any changes if needed.
5	Oversee the preparation of the annual budget and ensure it is aligned to the strategic objectives of the organisation.
6	Ensure that any surplus funds are invested in a prudent way.
7	Ensure any grants that are received are used in compliance with the funding agreement and acquittals (financial statements sent to the funder) are prepared in line with the terms of the agreement.
8	Evaluate Capital applications for both the DFC and CIF.
9	Hold the CFO and CEO to account for operational and strategic financial management.

Internal Scrutiny and External Audit

Reference number	Duty description
1	To direct the trust's programme of internal scrutiny and ensure this is informed by risk.
2	To oversee individuals that undertake internal scrutiny.



3	To deliver internal scrutiny in a way most appropriate to the trust's circumstances, which could include employing an in-house internal auditor or buying-in internal audit services.
4	To advise the Board of Trustees on the internal scrutiny programme of work.
5	To ensure those carrying out the programme of internal scrutiny are suitably qualified and experienced.
6	To report findings from internal scrutiny activities to the Board of Trustees.
7	To assess year on year progress using the short annual summary report that outlines areas that have been reviewed, key findings, recommendations and conclusions.
8	To keep the approach to internal scrutiny under review.
9	To ensure the internal scrutiny approach the trust uses is confirmed in the governance statement, which accompanies the annual accounts.
10	To ensure the programme of internal scrutiny informs the accounting officer's statement of regularity in the annual accounts.
11	To ensure the trust submits its annual summary report of the areas reviewed, key findings, recommendations and conclusions to the ESFA by 31 December each year when the audited annual accounts are submitted.
12	To ensure the ESFA is provided with any requested internal scrutiny reports.
13	To advise the Board of Trustees on the need for and, where appropriate, the appointment, re-appointment, dismissal and remuneration of, and internal auditor or other assurance provider. To ensure the audited accounts are submitted to the ESFA by 31 December each year and meet other statutory requirements.
14	To advise on the adequacy of the management response to issues identified by audit activity.
15	To monitor the progress made against audit recommendations.
16	To ensure the appropriate cooperation and coordination of the work of the external auditor and accounting officer.
17	To advise the Board of Trustees on the appointment, re-appointment, dismissal and remuneration of the external and regulatory auditor.
18	To receive reports (including the annual accounts and management letters) and consider any issues raised, the associated management response and action plans, and report necessary actions to the Board of Trustees.

19	To review the external auditor's annual planning document and approve the planned audit approach.
20	To consider any additional services delivered by the external auditor or other assurance providers and ensure appropriate independence is maintained.
21	To consider the quality of external auditors and those carrying out internal scrutiny.

Financial Management and Reporting

Reference number	Duty description
1	To make reports to the Board of Trustees on the adequacy of the trust's financial controls.
2	To ensure information submitted to the DfE and ESFA that affects funding, including pupil number returns and funding claims (for both revenue and capital grants) completed by the trust, is accurate and in compliance with funding criteria.
3	To advise the Board of Trustees on accounting policies, the trust's accounts, and the trust's annual report, including the process for review of the accounts prior to submission for audit, and levels of error identified.
4	To review and advise on the development of anti-fraud policies, whistleblowing processes and arrangements for special investigations.
5	To review an overview of financial statements submitted by the trust.

Risk Management

Reference number	Duty description
1	To report to the Board of Trustees on the adequacy of the trust's risk management processes. To advise on the strategic processes for risk, control and governance and the governance statement.
2	To advise on assurances relating to the management of risk and governance requirements for the trust.

Personnel, Performance Management and Remuneration

Reference number	Duty description
1	Determine the staffing complement of the Trust in line with the Trust Development Plan and oversee any staffing reduction or appointment procedures as necessary including consultation with teacher associations and trade unions as appropriate.
2	Conduct agreed arrangements for recruitment and selection for Trust Leaders (unless delegated to the CEO).
3	Agree and oversee the application of the pay policy, including that for Executive leaders.
4	Set the terms and conditions of service and levels of pay of employees having regard to staff who have TUPE transferred protections.
5	Consider secondment and early retirement requests (with the exception of the CEO).
6	Approve leave of absence (where not delegated to the CEO).
7	Consider work/life balance, working conditions and well-being, including the monitoring of absence levels.
8	Receive HR reports and monitor status of any staffing issues.
9	Receive HR reports on leadership pay, to ensure alignment with the STPCD and Trust structure for pay.
10	Agree and conduct procedures for capability, discipline, grievance, attendance, whistleblowing and staff welfare issues in accordance with the scheme of delegation.
11	Annually review staff salaries and consider pay discretions including threshold and applications for re-grading.
12	Investigate irregularities, conduct personnel procedures regarding suspension/ending of staff contracts and including dismissal procedures in accordance with the scheme of delegation and HR procedures.
13	Review pay progression of Central Staff based on performance management recommendations in line with the Trust's pay policy and procedures.
14	Review pay progression of Executive Headteachers, Headteachers and Head of Schools based on performance management recommendations in line with the Trust's pay policy and procedures.

15	Keep up to date with current legislation and advise the Board when policies need revising.
16	Make determinations in respect of audit of Performance Management and pay.
17	Scrutinise, challenge and evidence that all salaries over £100k shows value for money and a robust structure of monitoring at LAC and Trust is maintained.
18	To agree an appropriate procedure for staff pay appeals.
19	Ensure that all staff are aware of appeals procedure.
20	Seek professional advice as necessary.
21	Ensure that all staff are notified of any Trust decisions on pay.

Health & Safety and Premises

Reference number	Duty description
1	Review the building strategy/master plan in order to prepare a list of priorities for maintenance and development and ensure that adequate resources are available.
2	Consider the relative funding priorities necessary for security, maintenance, repairs and redecoration, and to approve the costs and arrangements with the budget allocation.
3	Recommend to the Trust a plan for capital expenditure and to implement the plan after approval by the Trust Board and to monitor expenditure against planning.
4	Consider any recommendations for disposal of Trust property and make recommendations to the Trust Board (approval from the Secretary of State may be required).
5	Prepare and agree any capital bids for work that is outside the Trust's annual revenue budget.
6	Review, adopt and monitor a health and safety policy.
7	Review compliance reports for the Trust in accordance with DfE guidance on estate management.
8	Ensure that health and safety, building inspections and risk assessments are carried out in the prescribed manner and timing and that the risk register reflects the same.



6. Monitoring and review

These terms of reference will be reviewed on an annual basis by the Trust board; changes to these terms of reference will be distributed to all members of the committee.

Last review date: 9th October 2025