

COTTESBROOKE INFANT & NURSERY SCHOOL GOVERNING BODY

FINANCE, STAFFING & AUDIT COMMITTEE TERMS OF REFERENCE

FINANCE

To exercise on behalf of the Governing Body its powers and responsibilities in respect of financial and staffing matters unless prevented from doing so by statutory provisions or by the express decision of the Governing Body.

1. Membership

The Committee shall consist of a minimum of 3 non-staff governors plus the Head Teacher in his voting capacity. Where matters relating to internal scrutiny are discussed the Head will attend the meeting in an advisory capacity only and will not have a vote. The committee can ask the governing body to appoint up to 2 non-voting members with appropriate financial skills.

2. Quorum

Except where specifically mentioned the quorum will consist of a minimum of three governors. Where staff pay matters of an individual member of staff is being discussed, staff governors will not be allowed to sit in on discussions or vote on recommendations made.

3. Meetings

3.1 The committee will meet at least 3 times per year.

3.2 Any additional meetings will be called as necessary; at least 7 days notice must be given when calling a committee meeting.

4. Agendas & Minutes

The Clerk to the Committee is Mrs Joy McGovern. In the absence of the Clerk the Committee can appoint a member (but not the Head Teacher) to act as Clerk to the meeting. Agendas and minutes will be prepared and retained to meet legal requirements in the same way as for a full governing body meeting. Copies of minutes should be submitted to the next available governing body meeting for ratification of any decisions taken. Submission of minutes may be delayed where an appeal against a staffing (finance) matter needs to be heard so as not to prejudice the outcome of the appeal.

5. Chairing

- 5.1 The Committee shall elect a Chair and a Vice Chair annually, usually at the first meeting of the academic year.
- 5.2 The Chair, in conjunction with the Head Teacher, will be responsible for drawing up the agenda and sending it out to committee members at least 7 days in advance.
- 5.3 In the absence of the appointed Chair the Committee the Vice Chair will chair meeting.

6. Reporting to the Governing Body

- 6.1 The Chair will report to the full governing body on main decisions taken and any recommendations that the governing body needs to vote on.

7. Areas of responsibility

8. Budget and Accounts

- 8.1 The Committee will be responsible for the receipt of and recommending to the Governing Body, approval of the Annual Budget. It will establish formal procedures and timetables for planning the budget and will require the Head Teacher to produce estimates of expenditure and income sufficiently in advance of each financial year, even if the details of the Academy's funding have not been finalised, so it can determine priorities in accordance with the School Development Plan.
- 8.2 It is the responsibility of the Finance Committee, in preparing the Draft Annual Budget, to work within the indicative budget, for the forthcoming year. The Finance Committee should indicate clearly any use that it is proposing to make of contingency reserves, so that where appropriate, the Governing Body is fully informed before it approves the Annual Budget.
- 8.3 The Committee members will receive monthly budget monitoring reports derived from reports drawn off CMIS. These will include variance analysis to highlight any deviation from the approved budget. An updated cash flow statement will also be circulated to the Committee members as part of the routine financial monitoring.
- 8.4 The Finance Committee will monitor income and expenditure throughout the financial year and provide an overview of the financial position of the Academy to the full Governing Body, on at least a termly basis.

- 8.5 The Finance Committee will retrospectively review the variances and any budget revisions made by the Head Teacher to a maximum value of £10,000.00.
- 8.6 The Finance Committee will approve requests for budget revisions above £10,001, prior to the Head Teacher incurring the expenditure. The Committee will investigate, and approve, all variances above £10,000. In the event of there being an emergency request for a budget revision then the Chair of Finance will have the authority to approve such requests and then report back at the next Finance Committee meeting under 'Chair's Actions'.
- 8.7 The Finance Committee will give the Head Teacher responsibility for administration of the budget and its day-to-day control and monitoring. The Finance Committee will approve the Financial Management Framework for the Head Teacher annually and in year where changes need to be made.
- 8.8 The Finance Committee, with the Head Teacher, will assess at least once a year, financial progress towards achieving the objectives in the School Development Plan and, consistent with this aim, will review projected expenditure for future years in accordance with the School Development Plan, working wherever possible on a three year rolling programme.
- 8.9 The Finance Committee will be responsible for receiving and recommending for approval by the Governing Body, the Academy's draft annual accounts and attached statements, in accordance with the timetable laid down by the EFA
- 8.10 The Committee will be responsible for recommending the reappointment of the Academy's external auditors, or for arranging the appointment of new auditors where this may be necessary.

9 Expenditure

- 9.1 The Head Teacher can incur expenditure up to £10,000.00 without reference to the Finance Committee providing budget provision already exists.
- 9.2 The Finance Committee will approve all orders/contracts between £10,001 and £50,000 if budget provision exists, subject to the receipt of three quotations. No orders/contracts in excess of the £10,000 limit may be entered in to by the Head Teacher before this approval is given (In an emergency then the Chair of Finance may approve these subject to the process in paragraph 7.6). Where budget provision does not exist it must be approved via the process outlined in paragraph. All orders/contracts above £50,000 must be approved by the full Governing Body before any expenditure can be incurred.

- 9.3 The Finance, Staffing & Audit Committee will review all cumulative annual expenditure with suppliers in excess of £10,000.00 on a regular basis and at least once per year.
- 9.3 The Finance, Staffing & Audit Committee will review the financial implications on the budget of the Teachers Pay and Conditions document.
- 9.4 The Committee will receive the annual accounts and certificate of audit of the school fund and other voluntary funds held within the Academy and recommend approval to the Governing Body.
- 9.5 Any budget overspend on all staff above £50k should be brought to the Finance, Staffing & Audit Committee.
- 9.10 Any budget other than staffing which is greater than £5k, with any potential overspend of 10% or more of the original budget shall first be reported to this committee for approval.

10. Payments

- 10.1 The Finance, Staffing & Audit Committee will monitor compliance with the Academy's financial procedures, particularly with reference to segregation of duties between purchases and payment.
- 10.2 The Committee will annually assess the Academy's insurance cover to ensure that it provides adequate protection against risks.
- 10.3 The Committee will annually review and approve the amount of petty cash to be held by the Academy.
- 10.4 The Committee will review annually all current Academy contracts with suppliers for quality, price and value for money.
- 10.5 The Committee must ensure that the Academies Financial Handbook and EFA Funding Agreement relevant to financial management are complied with and will undertake periodic audits of the Academy's financial procedures and recommend appropriate corrective action.

11. Assets

- 11.1 The Committee will receive termly reports from the Head Teacher on the value and description of equipment which has been written off in accordance with the Academy's disposal policy.
- 11.2 The Committee will authorise the Head Teacher to dispose of, by sale, any such items as may be sold and receive termly reports from the Head Teacher.

12. Internal Scrutiny

- 12.1 The Committee will be responsible for ensuring the functions of an Audit Committee are carried out in relation to the internal scrutiny of financial procedures and review and monitoring of the Academy's risks.
- 12.2 The Committee will be responsible for receiving the Annual Governance Statement from the Head Teacher (as the Accounting Officer) and recommending its approval to the Governing Body.

13 Investments

- 13.1 The Committee will be responsible for monitoring the Academy's Treasury Management policy by receiving termly reports detailing the amount, rate of interest, Institution and period of investment of the Academy's surplus funds.

14. General

- 14.1 Ensure the withdrawal of the individual if she/he has a business, pecuniary or personal interest in the business of the Committee.
- 14.2 Agree to undertake training to keep up to date with national and local trends and policies.
- 14.3 To review the Governing Body's Best Value statement in the spring term and make recommendations to the Governing Body for any amendments.
- 14.4 To discuss, approve and implement the following school's policy statement:

Charging & Remissions Policy
Disposal of assets Policy
- 14.5 The Committee is responsible for ensuring that the Head Teacher (as Accounting Officer) submits any EFA statements or other required forms for approval in accordance with the timetable laid down by the EFA.

STAFFING

To exercise on behalf of the Governing Body its powers and responsibilities in respect of staffing matters (except for those matters raised below) unless prevented from doing so by statutory provisions or by the express decision of the Governing Body.

1. To determine the staff complement of the school and their duties, grading and remuneration subject to any overriding provisions or negotiated agreements.
2. To carry out in accordance with approved procedures the filling of any vacancy as necessary. This will include the preparing of person specifications, job descriptions, advertising the vacancy as necessary, considering the advice of the HR services provider and the Head Teacher and if an appointment is not made taking the necessary steps to re-advertise.
3. To discuss, approve and implement the school's Pay Policy in accordance with any guidance given by the HR service provider.
4. To carry out an annual review of teaching staff salaries, including the Head's and Deputy's, in accordance with the Governing Body's Pay Policy and the Teachers' Pay & Conditions Document. To approve any increases in teachers' salaries as a result of the review.
5. To carry out an annual review of salaries and other staff employed by the school in accordance with the Governing Body's Pay Policy and any other direction given by the HR service provider. To approve any increase in salaries as a result of the review.
6. To meet the Government's requirements for setting and reviewing performance criteria for the Head Teacher.
7. To receive, consider and approve as appropriate, any request by staff for regrades.
8. To respond to the HR service provider's advice in respect of newly qualified teachers.
9. To act on behalf of the Governing Body in respect of the code adopted by the Governing Body for the consideration of any formal grievance raised against a governor(s) by the Head Teacher.
10. To approve proposals for the delegation of authority to the Head Teacher to take action on such staffing matters as is considered appropriate.

11. To hear cases for the discipline or dismissal of staff where the Head Teacher has chosen not to exercise his delegated responsibility.

The functions of this Committee exclude:

Any matters relating to the appointment of a Head, or Deputy Head, Teacher (but not support staff with senior management responsibilities) unless delegated to do so by specific resolution of the Governing Body.

Any matters in connection with appeals against a decision taken by this Committee under codes adopted by the Governing Body for the consideration of grievances (other than where it is by the Head Teacher (see 9)), disciplinary or pay related matters.*

* The Governing Body will establish an Appeals Committee for this purpose. Membership will consist of Governors who were not involved in the original decisions and in the event of the consideration of a disciplinary or dismissal case must consist of not less than the same number of Governors who heard the original case.

Quorum

Except where specifically mentioned (e.g. in relation to appeals against staffing matters) the quorum will consist of a minimum of three governors. Where staff pay or staff matters of an individual member of staff are being discussed, staff governors will not be allowed to sit in on discussions or vote on recommendations made.

Associate Members

Associate members may be appointed to the committee if approved by the Governing Body. They will have full voting rights except for the following items:

- Budget and financial matters relating to the operating of the school.

If requested, an associate member may be elected as the chair of the committee. If elected as chair, the associate member will not have a second casting vote in the event of a tie. Associate members may be requested to leave the meeting if matters concerning individual pupils or members of staff are being discussed.

Associate members do not count as part of the quorum requirements of the meeting of the committee.

Agendas & minutes

Agendas and minutes will be prepared and retained to meet legal requirements in the same way as for a full Governing Body meeting. Copies of

minutes should be submitted to the next available Governing Body meeting for ratification of any decisions taken. Submission of minutes may be delayed where an appeal against a staffing matter needs to be heard so as not to prejudice the outcome of the appeal.

NB: These terms of reference will be reviewed and updated on an annual basis for approval by the Governing Body.