

Create Learning Trust Business Risk and Audit Committee



Terms of Reference

The Business, Risk and Audit Committee brings together representatives from each of the schools within the Trust with Trustees. The purpose is to provide a holistic Trust-wide review of Business to support the Risk and Audit Committee, and Board of Trustees in their work.

Membership and quorum

The Business, Risk and Audit committee will be appointed by the Board of Directors. It will consist of a

- A minimum of 3 Directors, one of which will chair the committee, and one of which will provide internal scrutiny for audit purposes (voting)
- A representative from each of the schools within the Trust (currently 3) (non voting)
- A minimum of 3 Directors, one of which will chair the committee
- The CEO and CFO as well as Director of Operations

Employees of the trust are not permitted to be members of the Business, Risk and Audit committee; however, the CEO, CFO and Director of Operations should attend committee meetings to provide information and participate in discussions. Individuals with the requisite knowledge and skills to effectively engage with and challenge the trust will be appointed to the committee. Only full members of the committee who have been approved by the Board of Trustees have the right to vote on any matters. The committee may decide to appoint non-voting members, as approved by the Board of Trustees, who are able to advise the committee. The quorum of the committee will be 50% of the voting membership of the committee rounded up to the nearest full number, e.g. if the committee comprises three members, then a minimum of two members must attend the meeting in order to meet the quorum.

Term of office

The committee will be appointed annually by the Board of Trustees and shall 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 Board of Trustees – whichever occurs first. This includes Trustees with voting rights, and Academy representatives (non-voting).

Meetings

- The Business, Risk and Audit Committee will meet Termly;
- The Chair of the Business, Risk and Audit Committee will be a Trustee;
- The frequency and dates for Business, Risk and Audit Committee meetings will be set in advance, as part of an annual planner;
- The clerk to the Board will circulate an agenda, copies of minutes of the previous Board meeting, and any papers to be considered, no fewer than seven working days prior to the meeting;
- The clerk will take minutes of the meeting. This will be approved, by the Chair of the Committee, as accurate representations of the meeting before they circulated to the Committee members for final approval.

Following approval, the clerk will distribute the minutes to Business, Risk & Audit Committee and the Board of Trustees.

- The Board may invite non-members to meetings to assist or advise on a particular matter or issue. Each Governor must achieve at least 75% attendance, and a register of attendance shall be kept for each meeting and will be published on the trust's website on an annual basis.

Duties

General

- To observe and comply with the trust's trustee code of conduct, at all times.
- To appoint a professional clerk to advise and guide the committee of their duties and responsibilities, and to record minutes of all committee meetings.
- To establish a terms of reference for the audit committee and review these on an annual basis.
- To deal with all matters relating to auditing, internal scrutiny, finance and risk management that may be referred by the Board of Trustees.
- To keep up-to-date with any relevant legislation and advise the Board of Trustees when policies or procedures need to be revised.
- To minute all meetings and report all decisions to the Board of Trustees as a confidential item.
- To seek professional advice as necessary.
- To attend relevant training when appropriate.
- To report to the Board of Trustees on the proceedings, recommendations and decisions of the committee.

Internal scrutiny and external audit

- To direct the trust's programme of internal scrutiny and ensure this is informed by risk.
- To oversee individuals that undertake internal scrutiny.
- 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.
- To advise the board of directors on the internal scrutiny programme of work.
- To ensure those carrying out the programme of internal scrutiny is suitability qualified and experienced.
- To report findings from internal scrutiny activities to the Board of Trustees.
- To assess year on year progress using the short annual summary report that outlines areas that have been reviewed, key findings, recommendations and conclusions.
- To keep the approach to internal scrutiny under review.
- To ensure the internal scrutiny approach the trust uses is confirmed in the governance statement, which accompanies the annual accounts.
- To ensure the programme of internal scrutiny informs the accounting officer's statement of regularity in the annual accounts.
- 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.

- To ensure the ESFA is provided with any requested internal scrutiny reports.
- To advise the board of Directors on the need for and, where appropriate, the appointment, re-appointment, dismissal and remuneration of, an 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.
- To advise on the adequacy of the management response to issues identified by audit activity.
- To monitor the progress made against audit recommendations.
- To ensure the appropriate cooperation and coordination of the work of the external auditor and accounting officer.
- To advise the board of directors on the appointment, re-appointment, dismissal and remuneration of the external and regulatory auditor.
- 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 Directors.
- To review the external auditor's annual planning document and approve the planned audit approach.
- To consider any additional services delivered by the external auditor or other assurance providers and ensure appropriate independence is maintained.
- To consider the quality of external auditors and those carrying out internal scrutiny.

Financial management and reporting

- To make reports to the Board of Trustees on the adequacy of the trust's financial controls.
- 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.
- 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.
- To review and advise on the development of anti-fraud policies, whistleblowing processes and arrangements for special investigations.
- To review an overview of financial statements submitted by the trust.

Risk management

- 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.
- To advise on assurances relating to the management of risk and governance requirements for the trust.

Policies

- Health and Safety Policy
- Risk assessments, including for educational visits
- Fire risk assessments and procedures
- Supporting Pupils with Medical Conditions Policy
- Complaints Procedure Statement

Authority

The committee is authorised by the Board of Trustees to:

- Investigate any activity within its terms of reference.
- Seek any information it requires from any employee, with all employees directed to cooperate with any request made by the committee.
- Obtain any external legal or independent professional advice, where necessary.

