



TERMS OF REFERENCE OF THE FINANCE COMMITTEE

Chair – Jeremy Breaks

Committee Structure

Between 4 – 6 governors, including the Headteacher

Quorum – 3 governors, of whom one must be either the Chair or Deputy Chair, and one must be the Headteacher. 2 should not be school employees.

Meetings. The committee shall meet as required, but usually once a term. Two weeks notice of a meeting shall be given.

Terms of Reference

The Finance Committee is set up to consider strategic financial issues on behalf of the Governing Body. The Finance Committee is non-statutory, and the Governing Body has determined its remit and delegated responsibility. It will ensure the Governing Body is kept fully informed about financial issues and will provide summary reports for the Governing Body on all matters within its remit.

The following tasks will be carried out by the Finance Committee -

- Agree the draft budgets (including multi-year budgets) for approval by the Governing Body
- Submit the draft budget to the Authority by 31st March
- Submit the final approved budget to the Authority no later than 15th May
- Ensure that there is a financial procedures manual containing information and a description of financial systems and procedures, including budget setting process and budget monitoring arrangements
- Forecast likely future pupil rolls and income levels
- Receive monitoring reports, 3 times per year, showing predicted year end outturn
- Monitor and adjust in-year expenditure levels
- Ensure accounts are properly finalised at year end/reviewing outturn
- Evaluate the effectiveness of financial decisions
- Consider annual benchmarking information
- Ensure appropriate audit protocols are in place and adhered to regarding the administration of income and expenditure for both delegated public funds and non-LA voluntary funds
- Approve annual statement of the school's voluntary/private fund
- Agree the annual Statement of Internal Controls for approval of Governing Body
- Approve annual best value statement
- Consider the final internal audit report and agree the action plan prepared by Headteacher and bursar
- Draw up and revise a three year budget plan
- Ensure the SIP is costed, consistent with planned balances and the three year plan
- Each year, agree the year end statement and balances analysis for approval by the Governing Body by 30th June

- Agree the school financial management framework including financial regulations and annual update of same for agreement by GB
- Approve writing off debts up to £1000 and recommending write offs over £1000 to Governing Body
- Ensure an inventory is maintained for all assets in excess of £1,000 in the form required by the authority including an annual physical check. Property should be security marked where appropriate.
- Approve disposal of assets or stocks up to £1000 and recommending disposals in excess of £1000 to Governing Body
- Agree cheque signatories for the school bank account
- Agree the list of authorised cost centre signatories
- Establish a school charging policy and review annually
- Agree the annual finance report to the next Annual Governor's Meeting with Parents in a format specified by the authority

Ensure in conjunction with the head teacher that -

- Salary payments are only made to school employees
- Salary payments made in accordance with appropriate conditions of employment
- Salary payments only made for services provided to the school
- Appropriate deductions are made (Tax and NI)
- Payroll changes are accurately recorded and promptly processed
- The Pay Policy is implemented

The committee will-

- Recommend to the full Governing Body the extent of delegated financial powers for the Headteacher with respect to virements
- Approve the in-year virement of funds between different budgetary headings, and sub-delegate the power of virement to the Headteacher, subject to the restrictions set out in the following paragraph on 'prior approval'

Prior Approval

The limit regarding virement of funds between cost centres is detailed in the LA Financial Delegation document.

Operational Matters

Membership, quorum and meetings

Personnel Issues

The committee is delegated to -

- Ensure all statutory and contractual obligations related to personnel matters are met and that separate policies are formulated for each – e.g. pay, performance management, equal opportunities, grievance, appeals;
- Monitor the implementation of all policies related to personnel issues
- Review and amend said policies to take account of local and national developments, making appropriate recommendations to the Governing Body following consultation with professional trade union organisations (Pay Policy to be reviewed annually);
- Appoint two governors to review the Headteacher's performance management annually, supported by an accredited external advisor
- Support the Headteacher with his/her –
 - Annual review of staff pay
 - Appointment of staff as required
 - Implementation of the Pay Policy

- Review the school's staffing structure at regular intervals, in line with school self-evaluation and, in particular, when a vacancy arises, to ensure appropriate curriculum provision and support for the school improvement plan
- Ensure continuing professional development complements performance management and the school improvement plan
- Agree membership and procedures for staff appointment panels
- Vire responsibility to the Headteacher for all the appointment of supply teachers and other temporary appointments up to one year's duration, together with all appointments of support staff.

Reporting to the Governing Body

At each meeting of the Governing Body, a brief report shall be presented by the committee.

Revision

These responsibilities will be reviewed annually in the Autumn Term meeting of the Governing Body

Disputes

Any disputes will be referred to the Full Governing Body.

Date reviewed: December 2021

Date of next review: December 2022

Date approved by the Governing Body: 2/12/21