



**Governance, Audit and Risk Committee
Terms of Reference
(Trust Board approved amendment – 20 October 2020)**

Purpose:

- To provide effective oversight of the governance and financial management of the MAT
- To ensure that a robust Risk Framework exists to oversee all risks faced by the MAT, and to provide effective challenge to management regarding how those risks are mitigated
- To ensure that a robust governance structure exists across all aspects of the MAT encouraging a culture which promotes positive student outcomes

The committee will offer challenge and support to the Headteachers and Senior Leadership Teams to pursue continuous improvement in students' achievements and that of the school as a whole.

Membership and quorum:

The membership of the Committee shall be a minimum of three Trustees. The CEO and Chief Finance Officer to attend as Observers.

Votes to be agreed by the majority of Committee members with the chair having casting vote where necessary.

The meeting is considered to be quorate when a third of the total number of members are present, or a minimum of three, whichever is the greater.

Meetings:

The Committee shall meet at least termly.

Agendas and papers shall be circulated to all members of the Committee (and for reference purposes to non-members in attendance) one week before the meeting by the Clerk to the Committee in consultation with the Chair of the Committee and the Executive Principal. Minutes and papers of the Committee shall be available to all members of the Trust Board.

Minutes:

Following approval by the Chair, draft minutes shall be circulated to the Committee by the Clerk within one week of the meeting, prior to inclusion in papers for the next full Board meeting.

Reporting and review:

Decisions by the Committee shall be reported to the next meeting of the Trust Board through the Committee's draft minutes.

The responsibilities delegated by the Trust Board to the Governance, Audit & Risk Committee are as follows:

Internal and External Audit:

To consider the appointment of the external auditor and assess its activities including, but not limited to, independence of the external auditor, consideration of audit fees and selection process.

To discuss with internal audit and the external auditor the nature and scope of each forthcoming audit and to ensure that the auditor receives the fullest co-operation.

To review the internal and external auditor's reports and recommendations, together with the appropriateness of executive management's response.

To review the performance of the internal and external audit functions on an annual basis.

To recommend to the Board the appointment/re-appointment of the external auditor and to consider the circumstances surrounding any resignation or dismissal of the external auditor.

Financial Management & Policies:

To oversee the financial strategy of the Trust and consider policies, procedures and plans to realise the strategy

To ensure that all financial matters across the Trust are in-line with the requirements of the Academies Financial Handbook.

To keep under review the Trust's financial management and reporting arrangements, providing constructive challenge (where necessary) to the actions and judgements of management in relation to the interim management and financial accounts, statements and reports and the annual accounts and financial statements, prior to submission to the Board, paying particular attention to:

- critical accounting policies and practices, and any changes in them decisions requiring a major element of judgement
- the extent to which the financial statements are affected by any unusual or complex transactions in the year and how they are disclosed the clarity and transparency of disclosures
- significant adjustments resulting from the audit
- the going concern assumption
- compliance with accounting standards compliance with DfE and legal requirements.

- To review and advise the Board, with appropriate input from the Educational Standards Committee, on any significant changes to staffing structures within the Trust, its Academies or subsidiaries.

Governance and Risk:

To review the Trust's policy and procedures for handling allegations from whistleblowers.

To review the Trust's policies and procedures for handling allegations of fraud, bribery and corruption.

To receive reports on the outcome of investigations of suspected or alleged impropriety.

To receive reports from Remuneration Committee on any specific matters referred to them from the Governance Audit and Risk Committee

To review the adequacy of policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements including the Scheme of Delegation.

To ensure that any significant losses are investigated and reported where required, e.g. to the Department for Education.

To review the Trust's risk management framework, strategy, processes and procedures for the identification, assessment, evaluation, management and reporting of risks.

To review the adequacy and robustness of risk registers.

To keep under review the adequacy and effectiveness of the Trust's financial governance, risk management and internal control arrangements, as well as its arrangements for securing value for money, through reports and assurances received from management, the external auditor and any other relevant independent assurances or reports.

To review any recommendations or policy changes made by the Department for Education in relevant to the responsibilities of the Committee.

To ensure Trust statutory compliance with latest GDPR requirements.

To review material operational incidents and/or critical issues*, management response to such incidents and whether there are any wider implications for the MAT as a whole. Where required, overseeing actions agreed with management to address critical issues~.

To review the Trust Scheme of Delegation annually and recommend any changes.

To review the efficacy of the Trust Governance Charter.

To scrutinise the Trust and LGB Annual Effectiveness Reviews.

To review Trust-wide governance training.

Legal

To consider any legal issues relating to academy conversions that will impact the Trust and take expert external advice to ensure compliance with statutory requirements.

To take and consider expert external advice when considering any acquisitions of land and buildings.

To consider any other legal issues that may impact the Trust from time to time

Other Matters

To review or investigate any other matters referred to the Governance, Audit & Risk Committee by the Trust Board.

To draw any significant recommendations and matters of concern to the attention of the Trust Board.

*Operational incidents and critical issues in this context are defined as events which have a material impact on the operations of a school within the MAT, an issue which represents a breach of a core policy or standard or any other matter which management should reasonably make the GAR aware of.

~Further details regarding the escalation of operational incidents and critical issues can be found in the MAT Risk Framework document.