Audit and Risk Committee

Terms of Reference

1. Purpose

1.1 The Audit and Risk Committee will assess the success of the Trust in managing its risks and compliance with financial and non-financial compliance.

1.2 They will identify, measure, manage, monitor and report to the Trust Board on any and all risks or threats to the Trust's business objectives, as set out in the Articles of Association.

1.3 Oversee and approve the trust's programme of internal scrutiny and external scrutiny

1.4 Ensure that risks are being addressed appropriately through internal scrutiny

1.5 Report to the board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risk.

2. Membership

2.1 The CEO, Chief Financial and Operations Officer and other relevant senior staff will routinely attend the committee by invitation of the Committee Chair to provide information and participate in discussions.

2.2 Employees of the Trust will not be members of the Committee.

2.3 The Chair of the Committee will not be the Chair of the Trust Board or the Chair of the Finance & Resources Committee.

2.4 Members will be the Chairs of the Curriculum, People & Pay and Finance & Resources Committee, the Chair of Trustees and the Vice-Chair of Trustees. If a same trustee occupies 2 or more of these positions they may nominate another trustee to join the committee.

2.5 The Committee will have access to our external and internal auditors

2.6 Any Trustee, in addition to or as a stand-in for the committee members, may attend committee meetings.

3. Quorum

3.1 A minimum of 3 Board of Trustees members are to attend.

4. Meetings

4.1 The Audit and Risk Committee will meet at a minimum of 3 times per year and as often business requires.

4.2 Any three Trustees can request that the Committee Chair convene a meeting by giving no less than 14 days' prior notice.

4.3 Every matter to be decided at a meeting of the Committee must be determined by a majority of the votes of the Committee members present and voting on the matter.

4.4 Each Trustee present in person (or online) shall be entitled to one vote.

4.5 Where there is an equal division of votes the Committee Chair shall have a casting vote.

4.6 A register of attendance shall be kept for each Committee meeting and published annually.

5. Reporting

5.1 The Governance Professional will prepare concise minutes of each committee meeting. Minutes will be uploaded to the governance platform once they have been approved by the Committee Chair as “Draft Minutes”.

5.2 The Governance Professional will summarise the actions/ decisions taken and take any actions required by the Board to the next Board meeting.

5.3 The Committee shall arrange for the production and delivery of such other reports or updates as requested by the Trust Board from time to time.

5.4 The Committee shall conduct an annual review of its work and these terms of reference and shall report the outcome and make recommendations to the Trust Board.

6. Responsibilities

The Committee will exercise responsibility for and oversight of:

6.1 Finances of the Trust

a) Presentation and disclosure in the annual report and accounts ensuring that information submitted to the DfE that affects funding is accurate and complies with funding criteria.

b) Adequacy of procedures in respect of internal financial controls and management and adoption of additional controls as and when recommended by internal and external audit functions

c) Compliance with statutory and other required procedures

d) Receive reports on the outcome of investigations of suspected or alleged impropriety.

e) Ensure that any significant losses are investigated and reported where required.

6.2 The Premises of the Trust

a) Overall responsibility for Health & Safety within the Multi Academy Trust.

b) Oversight of the arrangements, including health and safety, for the use of the premises by outside users.

6.3 Internal Audit

a) oversee and approve the Trust's programme of internal scrutiny.

b) assess whether procedures are designed effectively and efficiently, and check whether agreed procedures have been followed

c) agree a programme of work annually to deliver internal scrutiny that provides coverage across the year

d) consider reports at each meeting from those carrying out the programme of internal scrutiny

e) consider an annual summary outlining the areas reviewed, key findings, recommendations and conclusions to enable the committee to assess actions and assess year on year progress

f) assess the effectiveness and resources of the Internal Auditor

g) to advise the Trust Board on the appointment, re-appointment, dismissal and renumeration of the Internal Audit service, and establish that all such assurance providers adhere to the relevant professional standards

6.4 External Audit

a) review the External Auditor's plan each year

b) review the draft annual report and accounts

c) receive the External Auditors' annual report, and accounts and recommend appropriate actions to the Trust Board in response to the findings

d) review the External Auditors findings and actions taken by the Trust`s managers in response to those findings

e) consider progress in addressing recommendations

f) assess the effectiveness and resources of the External Auditor – refer to section 4.15 in the Academy Trust Handbook

g) to advise the Trust Board and Members on the appointment, re-appointment, dismissal and remuneration of the External Audit service, and establish that all such assurance providers adhere to the relevant professional standards

h) recommend to Members the appointment of an external auditor (in accordance with the Trust's articles of association)

6.5 Risk Management

a) support development and review of the Trust's Risk Management Policy, setting out the framework the Trust has adopted for risk management.

b) ensure that risks are being addressed appropriately

c) to seek assurance that the risks identified are those which may occur, for example, operational risk, financial risk, compliance risk, regulatory and legal risk, major incident

d) review the ratings and responses on the Risk Register to inform contingency and business

continuity planning and the programme of work, ensuring risks and control measures are adequately identified and modified as appropriate
e) advise the Trust Board in relation to the risk register
f) set the trust's risk appetite

6.6 Other Activities

a) review findings from other assurance activities by third parties including financial management and governance reviews, funding audits and investigations
b) evaluate the adequacy of the Trust's internal control framework, including financial and non-financial controls and management of risks and report this to the Trust Board
c) provide reports for each full Trust Board meeting, highlighting emerging risks or significant anomalies at the earliest opportunity
d) to review the Trust`s insurance cover in compliance with its legal obligations
e) to monitor compliance with data protection laws
f) to undertake any other activity which supports the Committee with its overall assurance role on behalf of the Trust Board
g) Receive an annual report on safeguarding assurance for the Trust
h) Review and monitor the procedure for whistleblowing in the trust and receive any whistleblowing reports ensuring remedial action if taken if appropriate

7. Policy Approval

- Agape Acceptance of Gifts, anti-bribery & Hospitality Policy
- Agape Business Continuity & Critical Incident Plan
- Agape Data protection Policy
- Agape Health and Safety Policy
- Agape Whistleblowing

The Board of Trustees sets and approves the terms of reference for each of its constituted sub-committees and for any short-term working groups. All terms of reference are reviewed annually by the Board of Trustees.