

Terms of Reference for the Audit and Risk Committee

Constitution

The Trust Board hereby resolves to establish a committee of the Trust Board to be known as the Audit and Risk Committee.

Membership

The committee shall be appointed by the Trust Board.

All members of the committee shall be independent non-executive Trustees and shall consist of not less than three (3) members. The committee is quorum with a minimum of three (3) trustees.

The Chair of the committee shall be appointed by the Trust Board from amongst the independent non-executive directors. The Vice Chair of the committee shall be appointed by the Trust Board from amongst the independent non-executive directors.

The Chair should have the necessary background and/ or qualifications to undertake the role effectively.

Attendance at meetings

The CEO, Chief Financial Officer and Operations Director shall normally attend meetings, or parts thereof, at the invitation of the committee. The Chair of the Trust, other Board members and senior officers may also attend if invited by the committee. The committee has the right to exclude any Executive Director and any other attendees during any part of committee business.

There shall be at least one opportunity each year, if required, for the committee Chair to meet privately with the committee and similarly with the Head of Internal Scrutiny and Risk Management (Director of Operations).

Frequency of meetings

Meetings shall be held not less than three (3) times a year.

Purpose

The committee is authorised by the Trust Board to:

- Investigate any activity within its terms of reference.
- Seek any appropriate information that it requires from any officer of the Trust and all officers are directed to co-operate with any request made.

Responsibilities

The responsibilities of the committee shall be:

- To maintain an oversight of the academy Trust's financial, governance, risk management and internal control systems.



- To report findings termly and annually to the Trust Board and the accounting officer as a critical element of the Trust's annual reporting requirements.

The Audit and Risk Committee will:

- Advise the Board on the effectiveness and resources of the external/ internal auditors or scrutineers to provide a basis for their reappointment, dismissal, retendering, or remuneration. Considerations may include:
 - the auditor's/ scrutineer's sector expertise.
 - their understanding of the Trust and its activities.
 - whether the audit process allows issues to be raised on a timely basis at the appropriate level.
 - the quality of auditor/ scrutineer comments and recommendations in relation to key areas.
 - where relevant, the personal authority, knowledge and integrity of audit partners and their staff to interact effectively with, and robustly challenge, the Trust's managers'.
 - the auditor's/ scrutineer's use of technology.
 - ensuring there is co-ordination between internal audit/ scrutiny and external audit and any other review bodies that are relevant.
 - consideration of the reports of the auditors/ scrutineers and, when appropriate, advise the Trust Board of material control issues.
- Encourage a culture within the Trust whereby each individual feels that he or she has a part to play in guarding the probity of the Trust and is able to take any concerns or worries to an appropriate member of the management team or in exceptional circumstances directly to the Board of Trustees.

External Audit

The Audit and Risk Committee will:

- Review the external auditor's plan each year.
- Review the annual report and accounts.
- Review the auditor's findings and actions taken by the Trust's Executive Leadership Team in response to those findings.
- Produce an annual report of the committee's conclusions to advise the Board of Trustees and Members.

Internal scrutiny and risk management

The Audit and Risk Committee will:

- Take delegated responsibility on behalf of the Board of Trustees for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with the overall requirements for internal scrutiny, as specified in the *Academy Trust Handbook*.



- Conduct a regular review of the risk register.
- Consider the emerging and current risks associated with school risk registers and the internal risk assurance process.
- Review the internal scrutiny processes that senior executive leaders are using.
- Agree an annual programme of internal scrutiny / audit, which is objective and independent, covering systems, controls, transactions, and risks.
- Advise the Trustees on the adequacy and effectiveness of the Trust's systems of internal control, governance, and risk management processes.
- Consider the appropriateness of executive action following internal audit/ internal scrutiny reviews and to advise the Board on any additional or alternative steps to be taken.
- Receive updates on issues relating to data protection, freedom of information, complaints, whistleblowing and other compliance-related issues and oversee the Trust's response to these.

Reporting

All meetings will be minuted.

Minutes checked, approved and signed.

All documentation related to Trustee and LGC will be stored on TTG.

Reporting procedures

All meeting will be minuted, these must be check and signed for accuracy.

Board minutes and any supplementary notes from the chair are provided to the Trust Board in advance of the meeting (subject to the need to protect matters of individuals' confidentiality) to allow trustees time to read and formulate questions of the Chair at the Trust Board meeting.

Audit and Risk provide an annual summary report provided by the internal scrutineer and areas reviewed by internal scrutiny covering key findings, recommendations, and conclusions.

All documentation related to Trust Board will be saved in TTG.