Finance, Audit and Risk Committee Terms of Reference

Adopted by resolution of the Board on 16th July 2025 .
Reviewed and Updated by the Board on 16th July 2026

The Finance, Audit and Risk Committee will exercise responsibility for and oversight of:

(a) The overall finances of PPAT Education, including:

- The annual budget (for recommendation to the Board of Directors) and monitoring of that budget
- Financial procedures (including compliance with the DfE Guidance); delegation of spending authority and virement policies.
- Policy and decisions regarding contracts and service level agreements
- Insurance arrangements
- The preparation of the annual report and accounts (for presentation to Directors)
- Compliance with statutory and other required procedures.
- Oversight of risk management policy

(b) The identification, measurement, management, monitoring, and reporting of threats to the Trust's business objectives, including

- The external audit process and plan, including the appointment of external auditors (for recommendation to the Board of Directors and Members).
- The internal scrutiny process and plan, including the appointment of the internal scrutiny service
- the Trust's risk appetite and risk management policies
- Policy and procedures in respect of internal financial controls and internal audit functions
- Regular review of the risk register
- Risk Management Policy

(c) The personnel of Preston Primary Academy Trust, including:

- Staff recruitment procedures
- Staff appointments procedures
- Equal opportunities
- Performance management arrangements

- Employment contractual matters
- Pay policy.
- Staff well-being and retention strategies??

(c) The premises of PPAT Education, including:

- To advise Directors on priorities, including health and safety, for the maintenance of the existing Academy buildings
- To oversee arrangements for repairs and maintenance
- To make recommendations on premises-related expenditure
- In consultation with the Chief Financial and Operations Officer, oversee premises-related funding bids.
- To oversee arrangements, including health and safety, for the use of the premises by outside users
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(d) Performance Indicators agreed by Board members in respect of any of the above issues.

(e) Any other matters referred to it by Board members.

MEMBERSHIP

Meetings of the committee will take place in two parts. The first part of any meeting will consider matters relating to finance, premises and personnel, the second will consider matter relating to audit and risk. Membership for the first section shall be:

- Bernie Green
- Peter Levey
- Louise Orton
- Lucy Iddon
- Peter Strange

Membership for the second section shall be:

- Peter Levey
- Louise Orton
- Lucy Iddon
- Peter Strange

In addition to the above named membership, any registered Director of the Trust may also attend committee meetings and shall have the same voting rights as the listed members.

VOTING RIGHTS

All members have equal voting rights. In the event of an equal division of votes, the Chair shall have a second or casting vote.

APPOINTMENT OF CHAIR AND VICE CHAIR

The Directors shall appoint the Chair and vice-Chair of the Committee. A Director who is employed to work in the Trust shall not be eligible for appointment or election as Chair or Vice-Chair.

DELEGATED POWERS AND FUNCTIONS

The schedule of delegated powers and functions is available within the scheme of delegation which is also reviewed annually.

OVERSIGHT OF COMMITTEES

The FAR Committee shall be responsible for the setting up of any sub-committee to hear any matters in connection with staff disciplinary, capability, redundancy, absence, or grievance matters. Membership of these sub-committee is delegated to local governors in the first instance. (See also the policies and procedures adopted by the directors, namely: Redundancy Procedures; Grievance and Discipline Procedures; Managing Staff Sickness Absence; Capability Procedures).

FREQUENCY OF MEETING

The Committee shall meet at least three times a year but may meet more frequently as required.

QUORUM

The quorum for a meeting of the Committee shall be any 3 members.

ACCOUNTABILITY

This Committee reports directly to the MAT Board of Directors, which receives minutes, reports and recommendations from the Committee.

RESPONSIBLE OFFICER

The directors have chosen to maintain the role of responsible officer (RO) and will nominate a Director to take specific responsibility for liaising with the contracted internal scrutiny service.

The Responsible Officer is named as Peter Strange.