

Audit and Risk Committee - Terms of Reference

1. Purpose

1.1. The Audit and Risk Committee is a sub-committee of the Co-op Academies Trust Board which advises both the Chief Executive of the Trust, its central team and the Board itself.

1.2 The committee's general function is to help develop policy/objectives that support the trust's overall strategy and complement both the Chief Executive Officer of the Trust and the Board in their responsibilities. It will ensure that the Trust's strategic vision and co-operative values are at the centre of its endeavours. It will consider safeguarding and equalities implications when undertaking all committee functions.

1.3 The committee's specific function is to support the Chief Executive Officer and the Trust Board in their responsibilities for issues of risk, internal control including finance and governance. The Audit and Risk Committee will therefore monitor, evaluate, advise and report on:

- the internal audit process and plan
- the external audit process and plan
- findings and recommendations of the auditors
- the Trust's risk managements processes and progress towards mitigating key risks
- the Trust's risk appetite and risk management policies

1.4 Ultimate responsibility for audit and risk rests with the Trust Board. Routine matters, relating to audit and risk, and which are in line with agreed policy objectives established by the Trust Board, can be managed by the committee. Exceptional matters, including those that require wider consideration and/or formal approval must be taken to the Trust Board. The committee should seek a view from either the Chief Executive Officer or the Chair of the Trust Board if it is unclear whether a matter should be passed to the Trust Board for consideration and/or agreement.

1.5 The committee will liaise, and consult, with other committees of the Trust Board and Academy Governing Councils, where appropriate.

2. Membership

2.1. The membership of the Audit and Risk Committee is as follows:

- Chair: A Trustee, who is not also chair of the Finance Committee.

Be yourself,
always

Do what
matters most

Show you
care

Succeed
together

- Members: at least three additional members, with relevant financial experience reflected in the membership. Additional members who are not Trustees may be appointed by the Trust Board where they bring additional relevant skills and experience and will have voting rights on the Committee.

2.2 The chair and members of the committee are appointed annually by the Trust Board. No employee of the Trust may chair the committee.

2.3 The Chair of the Trust Board may be an ex officio member of the committee.

3. Meetings

3.1. The Audit and Risk Committee will meet at least twice each year, either in person or virtually. The Chair may convene additional meetings, as they deem necessary. The Chief Executive Officer or the Chair of the Co-op Academies Trust Board may, in exceptional circumstances, ask the Audit and Risk Committee to meet to consider any matter of relevant business.

3.2. A minimum of three members of the Audit and Risk Committee will be present for the meeting to be deemed quorate. Ideally, the membership present will include relevant finance experience.

3.3. The following will normally attend the committee but will have no voting rights

- Chief Executive Officer
- Chief Operating Officer
- Committee Clerk
- Others, including members of the Trust's central team and/or Headteachers, may also be invited to attend committee meetings to address specific issues.

3.4 Other Board members may also attend meetings at any time, but will not have voting rights.

3.5. The Trust Board may appoint advisers to assist in the work of the committee at any time. These advisers do not have voting rights.

3.6 When making decisions all committee members will have an equal vote; where there is a split vote the chair will have a second and casting vote.

3.7. The Audit and Risk Committee may ask any of all of those who normally attend, but who are not members, to withdraw to facilitate open and frank discussion of particular matters.

3.8 Committee papers will ordinarily be made accessible, via GovernorHub, to those attending, seven days in advance of meetings.

4. Reporting

4.1. Within seven working days of each meeting, the draft minutes will be circulated to Audit and Risk Committee members for their comments, which should be emailed to the Clerk.

4.2. The Audit and Risk Committee will provide the Trust Board with regular reports and updates on progress at Board meetings, where minutes of the committee will also be received for information.

4.3. The Audit and Risk will provide the Trust Governors' Conference with an Annual Report, summarising its conclusions from the work it has completed during the year.

5. Responsibilities

5.1. In the context of the Co-op Academies Trust Strategic Plan agreed by the Trust Board, the committee shall consider and advise the Chief Executive Officer of the Trust and Trust Board on the following matters:

- Effectiveness of strategic processes for risk appetite, risk management, internal control, governance and information assurance including cyber security and data protection;
- Reviewing the Trust's top risks and ensuring adequate mitigations are in place;
- Accounting policies, including the process for review of the annual report and accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors
- Planned activities and results of internal and external audits
- Adequacy of management's response to issues identified by audit activity, including external audit management letter
- Assurances relating to the corporate governance requirements for the organisation
- Where appropriate, proposals for tendering for either internal or external audit services or for purchase of non-audit services from contractors who provide audit services
- Anti-fraud policies and whistleblowing processes
- Review and approval of relevant Trust policies delegated by the Trust Board
- Reviewing the annual report, recommending it the Board for approval and ensuring it is published on the Trust website in line with ESFA requirements;
- The committee will work with the auditor who will recommend an audit plan for the Trust Board to approve. Any audit plan will take full account of the risks to Trust's strategic priorities. The internal audit plan is approved by the Trust Board annually

6. Rights

6.1. The committee is authorised to investigate any activity within its terms of reference or specifically delegated to it by the Trust Board. It is authorised to

request any information it requires from any employee of the Trust and all employees are directed to co-operate with any request made by the committee.

6.2. The committee may co-opt additional members for a defined period to provide specialist skills, knowledge and experience and is authorised to obtain any independent professional advice it considers necessary, subject to budgets agreed by the Trust Board (in accordance with paragraph 101 of the Trust's Articles of Association).

6.3. The chair of the Audit and Risk Committee will ensure that committee members are given appropriate opportunities for training and development.

6.4. The Audit and Risk Committee will review the Terms of Reference, submitting any proposed changes to the Board for approval. The committee's Terms of Reference are adopted by the Board and may only be amended with the approval of the Board.

Approved: September 2023

Next review date: autumn term 2024

Committee Membership for 2023/24:

Gill Gardner (Chair)
Tim Cutting
Arati Patel-Mistry
Russell Gill