

## **RISK, ASSURANCE and GOVERNANCE (RAG) COMMITTEE**

### **TERMS OF REFERENCE**

#### **1. Authority**

The RAG Committee is a Committee of the Tapton School Academy Trust (TSAT) Board and is authorised to investigate any activity within its terms of reference or specifically delegated to it by the Board. It is authorised to request any information it requires from any employee, external audit, internal audit or other assurance provider.

The RAG Committee is authorised to obtain outside legal or independent professional advice it considers necessary, normally in consultation with the Accounting Officer and/or Chair of Trustees.

The Chair will be appointed by the Chair of the Trust.

#### **2. Role**

The role of the RAG Committee is to maintain an oversight of the Academy Trust's governance, risk management, internal control and strategic reporting frameworks.

It will report its findings quarterly to the Board and the Accounting Officer as a critical element of the TSAT annual reporting requirements.

The RAG Committee has no executive powers or operational responsibilities/duties.

#### **3. Duties**

The duties of the RAG Committee are to:

3.1 Advise the Board and Accounting Officer on the adequacy and effectiveness of the TSAT's governance, risk management, internal control and assurance systems and frameworks. An Annual Report and Internal Scrutiny report will be reviewed by the RAG Committee in this regard.

3.2 Advise the TSAT Board on the appointment, re-appointment, dismissal and remuneration of the external and regularity auditor.

3.3 Advise the TSAT Board on the need for, and then, where appropriate, the appointment, re-appointment, dismissal and remuneration of, an internal auditor or other assurance

provider to enable the Board to sign the corporate governance statement in the annual accounts.

3.4 Advise the TSAT Board on an appropriate programme of work to be delivered by independent assurance providers (and via responsible officer- RO – the Chief Finance Officer- CFO). This programme of work to be derived from the RAG Committee's regard of the key risks faced by Trust, the assurance framework in place and its duty to report, via an internal scrutiny report, to the TSAT Board and stakeholders as detailed in 3.1.

3.5 Review the external auditor's annual planning document and approve the planned audit approach.

3.6 Receive reports (annual reports, management letters etc) from the external auditor and other bodies, for example the EFA and NAO, and consider any issues raised, the associated management response and action plans. Where it is deemed appropriate, reports should be referred to the Board or other committee for information and action.

3.7 Regularly monitor outstanding audit recommendations from whatever source and ensure any delays to implementation dates are reasonable.

3.8 Review the Trust's fraud response plan and ensure that all allegations of fraud or irregularity are managed and investigated appropriately.

3.9 Consider any additional services delivered by the external auditor or other assurance provider and ensure appropriate independence is maintained.

3.10 Ensure appropriate cooperation and coordination of the work of the external auditor and responsible officer.

3.11 Meet with the external auditor and responsible officer, without management present, at least annually.

3.12 Review annual report, financial statements and going concern.

3.13 Review changes to legislation as it impacts the Trust and increases risk and ensure statutory responsibilities are complied with.

3.14 Review policies related to Risk and Governance.

3.15 Advise on reputational risks.

3.16 Advise on the adequacy and effectiveness of the overall staffing structure.

3.17 Review the level of executive pay.

3.18 Review the level of insurance in place.

3.19 Advise on skills and effectiveness of the Board.

3.20 Advise on the committee TOR and annual plan of work by each sub-committee of the Board.

#### 4. Administration

4.1 The RAG committee will meet at least once per term.

4.2 The RAG Committee will consist of three members of the TSAT Board. The Chair of the TSAT Board cannot be a member of the RAG Committee, nor can any member of this committee be a member of the Finance and Resources Committee.

4.3 The RAG Committee will be quorate if two Board members are present.

4.4 The Accounting Officer, CFO and other members of the TSAT staff maybe invited to attend, but will have no voting rights.

4.5 Administrative support will be provided by the Clerk to the TSAT Board.

4.6 Agendas will be agreed in advance by the Chair of the RAG Committee (based on, but not limited to, a pre-agreed annual schedule of activity) and papers will be circulated to members and attendees at least 5 working days in advance of the meeting.

4.7 Minutes of meetings will be taken and once approved in draft by the Chair of the RAG Committee, be submitted to the next scheduled meeting of the TSAT Board together with a summary one-page report.

4.8 The RAG Committee will review these terms of reference and self-assess its performance against these terms of reference on an annual basis.