



## The Olympus Academy Trust Governance Framework Appendix L Terms of Reference – Finance & Resources Committee

### Document Summary

<b>Document Owner:</b>	L Day
<b>Version:</b>	<b>V8</b>
<b>Document Status:</b>	<b>Approved</b>
<b>Date Last Approved:</b>	February 2020
<b>Date of Next Review:</b>	September 2020
<b>Review Frequency:</b>	Annually
<b>Owner: (Olympus or School)</b>	Olympus
<b>Governing Committee:</b>	RNC
<b>Statutory or Optional policy:</b>	Optional
<b>Appendices:</b>	
<b>On Trust Website?</b>	Yes
<b>On School Websites?</b>	n/a

### Amendment History

Version	Amendment Date	Author	Amendment Summary
<b>4</b>	3 February 2016	RNC	<ul style="list-style-type: none"> <li>Annual review, amendments on membership and some additional clauses.</li> <li>Approved by Board</li> </ul>
<b>5</b>	23 March 2016	KSt	<ul style="list-style-type: none"> <li>Added references to succession planning following review of ESSP ToR at Board on 23.03.16.</li> <li>Approved by Board.</li> </ul>
<b>6</b>	14 December 2017	JHa	<ul style="list-style-type: none"> <li>Extensive review by RNC in line with growth and focus on employer of choice.</li> <li>Approved by Board.</li> </ul>
<b>7</b>	17 October 2018	KSt	<ul style="list-style-type: none"> <li>Removed responsibility of RNC to oversee line management reports to CEO.</li> <li>Approved by Board</li> </ul>
<b>8</b>	February 2020	PRo / LDa	<ul style="list-style-type: none"> <li>Nomenclature change.</li> <li>Approved by Board</li> </ul>

## 1 Overall Purpose

- 1.1 To consider strategic issues relating to staff salary and benefit packages
- 1.2 Keeping the objective of being an employer of choice at the forefront of Trust strategy.
- 1.3 To consider strategic aspects of staff performance management processes.
- 1.4 To consider issues relating to the contracts of employment for the CEO, the executive management team including the review of salary and benefits.
- 1.5 To oversee the process of appraisal of the performance of the CEO
- 1.6 To consider strategic aspects of succession planning for Trustees, Governors and the Senior Leadership Team
- 1.7 To oversee liaison arrangements with staff professional associations.
- 1.8 To oversee processes for the recruitment, induction, evaluation, development and training of all trustees, governors and committee members.
- 1.9 To keep under review the skills, knowledge and experience on the board, school improvement committees and all board committees and advise the board of trustees on succession planning and renewal.
- 1.10 To keep the board of trustees regularly informed of the committee's activities and key decisions.

## 2. Composition

- 2.1 A minimum of five committee members including:
  - A majority of trustees.
  - Representation from school improvement committees within the Trust.
- 2.2 In appointing the membership the board of trustees will ensure that the committee has the right balance of skills, knowledge and experience overall to fulfil its remit.
- 2.3 The membership will be subject to a selection process overseen by the company secretary and subject to the approval and annual review of the board of trustees.
- 2.4 The chair will be a Trustee and will be appointed as committee chair by the board of trustees taking into account the required skills and experiences required for the position and the balance of chairing responsibilities within the Trust. The chair of the committee will not be the chair of trustees.

- 2.5 The CEO (or any other member of staff) will not be a member of the committee.
- 2.6 The committee will be supported by the CEO (other than in matters relating to the CEO remuneration). The company secretary and Clerk (on governance issues) and the head of business operations and the head of human resources (on remuneration matters). Other senior staff may also be requested to support the committee.

### 3. **Frequency of meetings**

- 3.1 At least three meetings per year, scheduled to enable recommendations to be referred to the board of trustees with minimum delay.
- 3.2 Additional ad hoc meetings may be arranged to deal with identified significant issues or to

### 4. **Quorum**

- 4.1 The quorum shall be three committee members and the majority of those present must be trustees.

### 5. **Core Functions**

#### 5.1 **Executive Remuneration**

- (i) Reviewing and recommending the salary reviews of the CEO and other members of the senior management team to the board of trustees having taken external advice on market salaries and benefits and having regard to contractual terms.
- (ii) Reviewing and recommending to the board of trustees the form and content of contracts for the CEO and other members of the executive management team.

#### 5.2 **Non-Executive Remuneration and Expenses**

- (i) Keeping the issue of non-executive director and governor remuneration under review within the context of developing trends in the sector, charity law and regulation, and issues relating to the recruitment of trustees, governors and committee members.
- (ii) Reviewing and recommending to the board of trustees any proposals for payment of non-executive trustees for services within the parameters of the articles of association.
- (iii) Reviewing the expenses policy for trustees, governors and committee members.

### **5.3 Staff Remuneration**

- (i) Developing and recommending a strategy for staff performance management, appraisal and capability within the context of national agreements and best practice
- (ii) Developing and recommending remuneration strategy and policy to the board of trustees within the context of national and local agreements, contractual arrangements and TUPE; recognising the need to recruit and retain high calibre teaching and support staff to deliver The Trust's mission and meet the strategic plan objectives.
- (iii) Considering and recommending to the board of trustees the proposed annual pay review for staff; taking into account agreed strategy and policy, local and national circumstances, and taking professional advice as required.
- (iv) Establishing panels of trustees/governors to hear appeals relating to staff remuneration.
- (v) Establishing liaison arrangements for relationships with staff professional associations.
- (vi) Keeping pension arrangements under review.

### **5.4 Executive Performance**

- (i) Overseeing a process for the regular appraisal of performance and effectiveness of the CEO, ensuring that the necessary assurances and outcome reports are presented to the board of trustees and action plans developed to address any improvements required.
- (ii) Establishing a panel for the appraisal of the CEO.

### **5.5 Board and Committee Membership**

- (i) Reviewing and recommending the membership of the board of trustees, the local governing bodies and board committees and taking into account their terms of reference and seeking to ensure that there is an appropriate balance of skills, experience and competencies on the board of trustees, each local governing body and board committee, enabling them to properly fulfil their purpose and exercise their core functions.
- (ii) Overseeing the implementation of director, governor and committee member recruitment and selection processes across the Trust.

## 5.6 **Board and Committee Member Skills, Performance and Development & Succession planning**

- (i) Carrying out regular skills audits for trustees, governors and committee members taking account of the challenges and opportunities facing the Trust and the balance of skills, knowledge and experience required on the board of trustees, the local governing bodies and the board committees.
- (ii) Plan for the continuity of Governance in all Trust schools in response to planned and unplanned changes in membership
- (iii) Plan for continuity of leadership at all levels within the Trust schools
- (iv) Overseeing a process for the regular evaluation of performance and effectiveness of the board of trustees, local governing bodies and board committees and individual trustees, governors and committee members, ensuring that outcome reports are presented to the board of trustees and action plans developed to address any improvements required.
- (v) Reviewing annually the commitment of all trustees, governors and committee members ensuring that attendance and contribution is consistent with the proper exercising of their roles and responsibilities.
- (vi) Developing and overseeing the implementation of a governance development programme which addresses issues identified in effectiveness reviews of the board of trustees, local governing bodies or committees; through individual evaluations; and emerging priorities such as changes in services, legislation or regulation, or new business.
- (vii) Developing and overseeing the implementation of an induction programme for new trustees, governors and committee members.