Finance committee terms of reference

For maintained school governing bodies

Reviewed October 2025

The following example terms of reference should be adapted to reflect:

- your specific governing body and school
- your committee's delegated responsibilities
- constitutional documents (such as your instrument of government)

Name of trust:	Whitly Lodge First School
Name of committee:	Finance Committee
Date agreed:	11 November 2025
Review date:	*October 2026*

Chair of committee:	
Clerk:	
Membership:	Jen Palmer, Abigail Cummings-Liddle, Lara Kimage, Joan Tuddenham, Alan Haddon, Ben Burnip
Quorum:	*At least three governors who are members of the committee. The governing body can specify a higher limit.*
Meetings:	*Meeting frequency to be determined by the governing body – many committees choose to meet once per term.*

The committee has delegated responsibility to:

Finance

1. review an annual budget, ensuring resources are allocated in line with the school's strategic priorities and curriculum plans
2. maintain a realistic three-year financial plan, which takes into account the school's vision, known risks and opportunities
3. present an annual budget to the full governing body for approval
4. monitor actual income and expenditure at least once a term against the approved budget
5. benchmark income and expenditure against that of similar schools, considering comparative performance and opportunities to improve efficiency
6. ensure that sufficient funds are allocated for staff pay increments
7. report back to each meeting of the full governing body, alerting them to potential problems and significant variations to the approved budget at the earliest opportunity
8. monitor spending of pupil premium, PE and sport premium (and other relevant premiums); ensuring that funding is spent effectively and is having the intended impact on pupil outcomes
9. review and approve any adjustments to the school's approved budget (subject to the local scheme of delegation)
10. approve expenditure and virements of sums over £5000 – sums below this amount are delegated to the headteacher
11. undertake detailed scrutiny and recommend approval of the Schools Financial Value Standard (SFVS) and undertake actions identified as part of the SFVS
12. ensure local authority financial procedures are complied with
13. receive and act upon any issues identified by a local authority audit
14. ensure that the school follows basic procurement rules and achieves best value for money when acquiring goods and services
15. assess the school's insurance cover to ensure that it provides adequate protection against risks

Delegated policies

Policies (that may be delegated to the curriculum committee to review) include:

- Health and safety
- Charging and remissions
- Data protection
- Governor allowances and expenses
- Policies that relate to premises management

Refer to NGA's policy review schedule for additional policies the committee may need to review or refer to.

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