



**HARTPURY**  
C O L L E G E

**COLLEGE AUDIT AND RISK MANAGEMENT**  
**COMMITTEE**  
**Terms of Reference**

**Governor Members**

Three independent governor members

**Co-opted Member**

One co-opted member

**In attendance**

Principal

Chief Operating Officer

Head of Finance

Representatives from Internal and External Auditors as necessary

Senior Managers as required

**Quorum**

Three members (may include one co-opted member)

**1. Membership**

- 1.1 The committee shall comprise a minimum of 3 members.
- 1.2 The internal auditor shall be entitled to attend and speak at all meetings of the committee (but not to vote) as shall the financial statements auditor and if appropriate the funding auditor where business relevant to them is being discussed. Senior management should also be invited to attend meetings of the committee, particularly where their area of responsibility is under discussion, and shall be entitled to attend and speak at such meetings but not to vote.
- 1.3 The committee may invite the Board of Governor's advisers or other third parties to attend meetings of the Committee as appropriate (such persons shall not have a vote but shall be entitled to speak at the meeting).
- 1.4 The Principal and other senior post holders may not be members of the Committee but other members of staff may sit on the Committee provided they do not have significant executive, management, financial or budgetary responsibilities.
- 1.5 In order to maximise the committee's independence and objectivity, the following people shall not be eligible to sit on the Committee.
  - 1.5.1 Those with executive responsibilities at senior level.

- 1.5.2 The Chair of the Board of Governors.
- 1.5.3 Governors who have significant interests in Hartpury College.
- 1.5.4 Governors who are members of the Strategy Finance and Resources committee
- 1.6 A person shall be ineligible for appointment to the committee if he or she has served more than 6 years on the Committee. The Clerk will arrange appointments to ensure that no two members are replaced at the same time.
- 1.7 The Chair of the committee will be selected by the Board of Governors.
- 1.8 The Clerk to the Board of Governors shall act as Clerk to the committee. The Clerk to the Board of Governors should not be Clerk of the Audit and Risk Management committee if he/she has significant financial responsibilities at senior level within the College in which case the Assistant Clerk to the Board of Governors will act as Clerk to the Committee.
- 1.9 The committee will meet at least three times per year. The internal auditor, funding auditor or financial statements auditor may request a meeting of the Committee if they consider that one is necessary and the committee will endeavor to comply with such requests.
- 1.10 The committee shall be entitled, whenever it is satisfied that it is appropriate to do so, to go into confidential session and (subject to the rules as to quoracy set out above) to exclude any, or all, participants and observers, except the Clerk to the committee.
- 1.11 The committee shall be granted rights of access to obtain all the information it considers necessary from members of the staff and governors of the Board of Governors, and to consult the internal audit service (IAS), financial statements auditor and funding auditor directly.

## **2. Terms of Reference**

- 2.1 To advise the governing body on the adequacy and effectiveness of the Board of Governor's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money).
- 2.2 To advise the governing body on the appointment, reappointment, dismissal and remuneration of the financial statements auditor and the Internal Audit Service (IAS).
- 2.3 Advise the governing body on the scope and objectives of the work of the IAS, the financial statements auditor and the funding auditor.
- 2.4 To ensure effective co-ordination between the IAS, the funding auditor and the financial statements auditor including whether the work of the funding auditor should be relied upon for internal audit purposes.
- 2.5 To consider and advise the governing body on the audit strategy and annual internal audit plans for the IAS.

- 2.6 To advise the governing body on internal audit assignment reports and annual reports and on control issues included in the management letters of the financial statements auditor and the funding auditor, and management's responses to these.
- 2.7 To monitor, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports, the funding auditor's management letter and spot-check reports and the financial statements auditor's management letter.
- 2.8 To consider and advise the governing body on relevant reports by the NAO, the ESFA, other funding bodies and where appropriate, management's response to these.
- 2.9 To establish, in conjunction with college management, relevant annual performance measures and indicators, and to monitor the effectiveness of the IAS and financial statements auditor through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate.
- 2.10 To produce an annual report for the governing body and accounting officer, which should include the committee's advice on the effectiveness of the college's risk management, control and governance processes, and any significant matters arising from the work of the IAS, the funding auditors and the financial statements auditor.
- 2.11 To ensure that all allegations of fraud and irregularity are properly followed up.
- 2.12 To be informed of all additional services undertaken by the IAS, the financial statements auditors and the funding auditors.
- 2.13 To recommend the annual financial statements to the governing body for approval.

**Terms of Reference Approved by Corporation 6<sup>th</sup> December 2000**

**Amendment to Terms of Reference Approved by the Audit Committee 2<sup>nd</sup> October 2001**

**Amendment to Terms of Reference Approved by the Corporation 24<sup>th</sup> October 2001**

**Amendment to Terms of Reference Approved by the Audit Committee 29<sup>th</sup> September 2003**

**Amendment to Terms of Reference Approved by the Corporation 29<sup>th</sup> October 2003**

**Amendment to Terms of Reference Approved by the Audit Committee 25<sup>th</sup> November 2005**

**Amendment to Terms of Reference Approved by the Corporation 8<sup>th</sup> December 2005**

**Amendment to Terms of Reference Approved by the Audit Committee 22<sup>nd</sup> November 2006**

**Amendment to Terms of Reference Approved by the Corporation 6<sup>th</sup> December 2006**

**Amendment to Terms of Reference Approved by the Audit Committee 20<sup>th</sup> November 2007**

**Amendment to Terms of Reference Approved by the Corporation 6<sup>th</sup> December 2007**

**Terms of Reference Approved by the Audit Committee 25<sup>th</sup> November 2008**

**Terms of Reference Approved by the Corporation 10<sup>th</sup> December 2008**

**Amendment to Terms of Reference Approved by the Audit Committee 24<sup>th</sup> November 2009**

**Amendment to Terms of Reference Approved by the Corporation 10<sup>th</sup> December 2009**

**Membership change Approved by Corporation 14<sup>th</sup> July 2010**

**Membership change Approved by Corporation 14<sup>th</sup> October 2010**

**Terms of Reference Approved by the Audit Committee 23<sup>rd</sup> November 2010**

**Terms of Reference Approved by the Corporation 9<sup>th</sup> December 2010**

**Membership change Approved by Corporation 14<sup>th</sup> July 2011**

**Terms of Reference Approved by the Audit Committee 22<sup>nd</sup> November 2011**

**Terms of Reference Approved by the Corporation 8<sup>th</sup> December 2011**

**Terms of Reference Approved by the Audit Committee 15<sup>th</sup> November 2012**

**Terms of Reference Approved by the Corporation 6<sup>th</sup> December 2012**

**Membership change Approved by the Corporation 24<sup>th</sup> October 2013**

**Amendment to Terms of Reference Approved by the Audit Committee 22<sup>nd</sup> November 2013**

**Amendment to Terms of Reference Approved by the Corporation 5<sup>th</sup> December 2013**  
**Terms of Reference Approved by the Audit Committee 18<sup>th</sup> November 2014**  
**Terms of Reference Approved by the Corporation 11<sup>th</sup> December 2014**  
**Terms of Reference Approved by the Audit Committee 17<sup>th</sup> November 2015**  
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**Terms of Reference Approved by the Audit Committee 22<sup>nd</sup> November 2016**  
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**Terms of Reference Approved by the Audit Committee 22<sup>nd</sup> November 2016**  
**Terms of Reference Approved by the Corporation 8<sup>th</sup> December 2016**  
**Terms of Reference Approved by the Audit Committee 13<sup>th</sup> November 2017**  
**Terms of Reference Approved by the Corporation 7<sup>th</sup> December 2017**  
**Terms of Reference Approved by the Audit and Risk Management Committee 14<sup>th</sup> November 2018.**  
**Terms of Reference approved by Corporation 31<sup>st</sup> January 2019**