



Committee Terms of Reference

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WEST HERTS COLLEGE CORPORATION

TERMS OF REFERENCE (TOR) FOR THE AUDIT COMMITTEE

1. Introduction. The authority for these TORs is contained in the
 - a. Instruments and Articles of Government Order as approved by the Corporation;
 - b. Post 16 Audit Code of Practice (Published 02.03.17)(Updated 29.03.18); and
 - c. Corporation Policies.
2. The authority and responsibilities of the Committee. The Committee:
 - a. has the authority to investigate any activity within its terms of reference;
 - b. has the right of access to obtain all the information and explanations it considers necessary, from whatever source, to fulfil its remit;
 - c. must comprise at least three members, a majority of whom must be governors, but must not include the Chair of the Corporation or the Principal. The audit committee must ensure that it maintains its independence when considering the appointment of members;
 - d. should include individuals with an appropriate mix of skills and experience to allow it to discharge its duties effectively. Collectively, members of the committee should have recent, relevant experience in risk management, finance and audit and assurance; and
 - e. must not adopt an executive role.
3. To meet these specific issues the Committee is to:
 - a. assess and provide the Corporation with an opinion on the:
 - (i) adequacy and effectiveness of the college's audit arrangements;
 - (ii) governance framework;
 - (iii) risk management and control, in particular arrangements for the review of its responsibility and assurance provision for the Risk Management (RM) processes, including the
 - Risk Register;
 - Assurance Matrix;
 - RM Framework;
 - (iv) processes for the effective and efficient use of resources;
 - (v) solvency of the institution and the safeguarding of its assets;
 - b. advise the Corporation on the appointment, reappointment, dismissal and remuneration of the financial statements and regularity auditors and other assurance providers, including internal auditors (IAS) and establish that all such assurance providers adhere to relevant professional standards;
 - c. ensure effective coordination between the IAS, the funding auditor and the financial statements auditor;
 - d. consider and advise the Corporation on:
 - (i) the audit strategy for the financial statements auditor and the regularity auditor; and

- (ii) the audit strategy and annual internal audit plans for the IAS;
- e. inform the Corporation of any additional services provided by the financial statements, regularity and other audit and assurance providers and explain how independence and objectivity were safeguarded;
- f. advise the Corporation on internal audit assignment reports and annual reports and on control issues included in the management letters of the financial statements auditor (including their work on regularity) and the funding auditor and management's responses to these;
- g. monitor, within agreed timescales, the implementation of recommendations arising from the management letters and reports of the financial statements and regularity auditor, and of any reports submitted by other providers of audit and assurance services to the college;
- h. consider and advise the Corporation on relevant reports by the National Audit Office (NAO) and the funding agencies, and, where appropriate, management's response to these;
- i. 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 to decide, based on this review, whether a competition for price and quality of the audit service is appropriate;
- j. oversee the college's policies on fraud and irregularity and whistleblowing, and ensure the proper, proportionate and independent investigation of all allegations and instances of fraud and irregularity; that investigation outcomes are reported to the audit committee; that the external auditors (and IAS where appointed) have been informed, and that appropriate follow-up action has been planned/actioned, and that all significant cases of fraud or suspected fraud or irregularity are reported to the chief executive of the appropriate funding body;
(Significant fraud is usually where one or more of the following factors are involved;
(i) there is likely to be great public interest because of the nature of the fraud or the people involved;
(ii) the sums of money are in excess of £10,000 or specifically, and only, in relation to the 16-19 Bursary Fund a lower limit of £5,000 applies here; or
(iii) the particulars of the fraud are novel or complex.)
- k. produce an annual report for the Corporation. The annual report must summarise the committee's activities relating to the financial year under review; including any significant issues arising up to the date of preparation of the report, and any significant matters of internal control included in the management letters and reports from auditors or other assurance providers. It must include the committee's view of its own effectiveness and how it has fulfilled its terms of reference. The report must include the audit committee's opinion on:
 - (i) the adequacy and effectiveness of the college's audit arrangements;
 - (ii) its framework of governance, risk management and control;
 - (iii) its processes for securing economy, efficiency and effectiveness;
 - (iv) a self-evaluation of Committee effectiveness against responsibilities defined in these TORs (Annexed);
 - (v) a statement on data quality; and
 - (vi) its opinion on the adequacy of arrangements for Assurance, Solvency and the Safeguarding of Assets.

The following shall be excluded from Membership:

(vii) Corporation members with interests in the College;

(viii) senior potholders;

(ix) the Chair of the Corporation;

c. The Committee shall be quorate with 2 members (of whom one must be a Corporation member).

6. Agendas for Meetings. The Agenda shall be agreed between the Director of Finance, the Chair of the Committee and the Clerk.

Phil Thompson
Chair
Date

WEST HERTS COLLEGE CORPORATION

TERMS OF REFERENCE (TOR) FOR THE SEARCH AND GOVERNANCE COMMITTEE

1. Introduction. The authority for these TORs is contained in the:
 - a. Instruments and Articles of Government as approved by the Corporation; and
 - b. Corporation Policies.

The Corporation is required to establish a Search and Governance Committee and retains specific responsibilities for appointment of all (General) members; advice of the Search Committee before appointment of such (General) members is necessary.

2. Further responsibilities, with regard to members of the Corporation include (but are not limited to):
 - a. considering the recommendations of the Nolan Committee before appointment;
 - b. compilation and maintenance of an up-to-date information pack for potential new members;
 - c. determining good practice for interviewing and appointment;
 - d. governance self- assessment and monitoring of the subsequent action plan; and
 - e. any other relevant matters as the Corporation may from time to time require.

The Corporation have authorised the Search Committee to complete and/or advise on governance and other matters. These delegated powers (Para 7) do not remove the ultimate responsibility of the Corporation for decisions taken on its behalf.

3. General Access to Meetings. The nature of business conducted by the Committee is sensitive and confidential. Written applications to attend meetings are to be submitted to the Chair of the Committee to be received at least 14 days in advance of the planned meeting date. The application must explain the reason for the request; only in exceptional cases will permission be given.

4. Meetings
 - a. Frequency. The Committee shall meet as required but normally not less than once a term unless the Chair in consultation with the Clerk agrees that there is insufficient business.
 - b. Special Meetings. The Clerk when instructed only by the Chair, or in his absence, by the Vice or acting Chair, shall call Special meetings of the Committee. At such meetings the Agenda shall normally be limited to consideration of single or related items. Standing items shall not be included in the Agenda.

5. Chair, Membership and Quorum
 - a. Chair and Vice Chair. The Chair and Vice-Chair (if required) of the Search Committee shall be appointed by the Corporation at the first meeting of each academic year. If the Chair, or Vice-Chair, is absent from a Committee meeting then the meeting shall nominate a Chair for that meeting.
 - b. Membership. The Committee shall comprise:

- (i) up to 3 Corporation Members nominated by the Corporation and confirmed every year at the first meeting of the academic year. Members are eligible for re-election. One member should have relevant HR expertise if possible.
- (ii) the Principal;
- (iii) up to 2 lay members recommended and approved by the Corporation (optional appointments).

In attendance:

- (iv) The Clerk to the Corporation.
- c. Quorum. The Committee shall be quorate with 3 members providing that one is a full Corporation member.
6. Agendas for Meetings. The Agenda shall be agreed between the Principal, the Committee Chair and the Clerk.
7. Delegation of Authority. The Corporation has delegated the Search Committee to (Recommendations of the Nolan Committee, are to be strictly applied):
- a. advise the Corporation on the appointment of Members of the Corporation;
 - b. derivation as required of a consolidated skills portfolio within the Corporation;
 - c. determination of appropriate role descriptions and person specifications as a result of 7b.
 - d. examine identification and encouragement of potential new members in line with criteria at 7c;
 - e. matching of these potential members to vacancies and making recommendation to the Corporation; and to
 - f. generally, consider the:
 - (i) gender, ethnic and age spread of the membership;
 - (ii) effectiveness of the composition; and
 - (iii) advice on procedures for appointment and induction of new members.
8. SAR. A self-evaluation of Committee effectiveness against responsibilities defined in these TORs shall be completed annually and reported to the Corporation.

Phil Thompson
Chair
Date

