TERMS OF REFERENCE – AUDIT COMMITTEE

APPROVED BY THE BOARD 2 NOVEMBER 2026

AUTHORITY

Article 6 of the Instrument & Articles of Government, in accordance with the requirements of para 6.1 of the Accountability Agreement and Part 3 of the College financial handbook.

PURPOSE

The purpose of the Audit Committee is to "provide independent assurance to the board that its financial and non-financial controls are operating effectively".

MEMBERSHIP

- Geoff Lambert (Chair)
- Graham Bateman
- Kate Barclay
- Claire McCafferty

IN ATTENDANCE

- CEO/Principal
- Chief Financial Officer
- Director of Finance and Funding
- Executive Director of Corporate Services
- Executive Director of Partnerships and Apprenticeships
- Deputy Principal, Quality, Curriculum and Inclusion
- Director of Governance
- Internal Auditors (Scrutton Bland)
- External Auditors (Buzzacott)

QUORUM

The quorum of the Committee is three.

REMIT

Under the College Financial Handbook (para 3.1 *The role and responsibilities of the audit committee*), the Audit Committee is tasked with:

Oversee the internal control environment

- advise the governing body on the adequacy and effectiveness of the college's assurance framework
- play a robust role in good stewardship and risk management
- oversee the college's programme of internal review
- ensure that risks are being addressed appropriately
- report to the board on the adequacy of the college's internal control framework, including financial and non-financial controls and risk management

- have right of access and scrutiny of all information and activities it considers necessary to fulfil its remit

Oversee external audit

- advise the governing body on the appointment, reappointment, dismissal and remuneration of the external auditor and reporting accountant, internal auditor (as applicable) and other assurance providers (as applicable)
- inform the governing body of any additional services provided by the external auditor, reporting accountant, internal audit (as applicable) and other assurance providers (as applicable) and explain how independence and objectivity are safeguarded
- review and consider the reports of the external auditor, reporting accountant, internal audit (as applicable) and other assurance providers (as applicable), and monitor the implementation of recommendations to agreed timescales

Oversight of counter-fraud measures

- oversee the College's policies on and processes around fraud, cyber security, irregularity, impropriety and whistleblowing, and ensure:
  - the proper, proportionate and independent investigation of all allegations and instances of fraud and irregularity
  - investigation outcomes are reported to the audit committee
  - the external auditor (and internal auditor if applicable) is informed of investigation outcomes and other matters of fraud, irregularity and impropriety, and that appropriate follow-up action has been planned and actioned
  - all significant cases of fraud or suspected fraud, theft, bribery, corruption, irregularity, cybercrime, major weakness or breakdown in the accounting or other control framework are reported to DfE and other relevant funding authorities, as soon as possible
  - risks around fraud have been identified and controls put in place to mitigate them

Report and advise

- in accordance with the college accounts direction, provide DfE with an annual report on its activities with the college's annual accounts
- advise and support the governing body in explaining, in its annual accounts, the measures taken to ensure it has fulfilled its statutory and regulatory responsibilities

Other matters

In addition to the matters set out above, the Committee is responsible for:

- Agreeing the internal audit plan
- Agreeing the external audit strategy
- Reviewing the scorings and commentary on the strategic risk register
- Considering reports resulting from the internal audit plan
- Considering progress made by College management in response to such reports
- Reviewing other assurance activities conducted in relation to the College

The Committee will receive regular reports ("at least quarterly") on the College's subcontracted provision in line with *Governance and subcontracting in post-16 education and training* (DfE), covering:

- the number of learners recruited and retained
- the qualifications being undertaken
- key performance indicators (KPIs) including results and progression of learners
- how the executive is exercising oversight of delivery and managing the contract
- payments made to subcontractors, including subcontracting income

The Committee will have direct access to the external and internal auditors, evaluate their plans and the quality of their reports.

The Committee also advises the Board on compliance matters relating to:

- Data protection
- Health and safety

The Committee will meet at least three times each academic year.