

# NORTH WEST REGIONAL COLLEGE

## TERMS OF REFERENCE FOR THE AUDIT & RISK COMMITTEE

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The Board has established an Audit & Risk Committee as a Committee of the Board to support them in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Accounting Officer's and Board's assurance needs and reviewing the reliability and integrity of these assurances.

**1** These Terms of Reference were last approved by the Governing Body on 25 September 2024.

### **2 MEMBERSHIP**

The members of the Audit and Risk Committee are:

2.1 Non Executive Board Members; Mr B Dougherty, Mrs M Gormley, Mrs S McMahon, Mr F Smyth and Mrs V Toland.

2.2 The Audit & Risk Committee will be chaired by Mrs C Shongo.

2.3 The Audit and Risk Committee will be provided with a Secretariat function by Mrs É Doherty.

### **3 REPORTING**

3.1 The Audit and Risk Committee will formally report in writing to the Accounting Officer and Board after each meeting; and

3.2 The Audit and Risk Committee will provide the Accounting Officer and Board with an Annual Report, timed to support finalisation of the accounts and the Governance Statement, summarising its conclusions from the work it has done during the year.

### **4 RESPONSIBILITIES**

The Audit and Risk Committee will advise the Accounting Officer and Board on:

4.1 the strategic processes for risk, control and governance and the Governance Statement;

4.2 the accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the External Auditors;

4.3 the planned activity and results of both Internal and External Audit;

- 4.4 adequacy of management response to issues identified by audit activity, including External Audit's management letter;
- 4.5 assurances relating to the management of risk and corporate governance requirements for the organisation;
- 4.6 where appropriate, proposals for tendering for either Internal or External Audit services;
- 4.7 anti-fraud policies, whistle-blowing processes and arrangements for special investigations; and
- 4.8 the Audit and Risk Committee will also periodically review its own effectiveness and report the results of that review to the Board.

## **5 RIGHTS**

The Audit and Risk Committee may:

- 5.1 co-opt additional members for a period not exceeding a year to provide specialist skills, knowledge and experience; and
- 5.2 procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by the Accounting Officer/Board.

## **6 ACCESS**

The Head of Internal Audit and the representative of External Audit will have free and confidential access to the Chair of the Audit and Risk Committee.

## **7 MEETINGS**

- 7.1 the Audit and Risk Committee will meet at least four times a year. The Chair of the Audit and Risk Committee may convene additional meetings, as they deem necessary;
- 7.2 a minimum of three members of the Audit and Risk Committee will be present for the meeting to be deemed quorate;
- 7.3 Audit and Risk Committee meetings will normally be attended by the Accounting Officer, the Finance Director, Head of Internal Audit, a representative of External Audit and a representative of the Department (DfE) will normally attend all the College's Audit & Risk Committee meeting circumstances permitting.
- 7.4 the Audit and Risk Committee may ask any other officials of the organisation to attend to assist it with its discussions on any particular matter;

- 7.5 the Audit and Risk Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters; and
- 7.6 the Accounting Officer or Board may ask the Audit and Risk Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.

## **8 INFORMATION REQUIREMENTS**

For each meeting the Audit and Risk Committee will be provided in a timely manner, ahead of the meeting with:

- 8.1 a report summarising any significant changes to the organisation's strategic risks and a copy of the strategic/corporate Risk Register;
- 8.2 a progress report from the Head of Internal Audit summarising:
- work performed (and a comparison with work planned);
  - key issues emerging from the work of internal audit;
  - management response to audit recommendations;
  - changes to the agreed Internal Audit plan; and
  - any resourcing issues affecting the delivery of the objectives of Internal Audit;
- 8.3 a progress report (written/verbal) from the External Audit representative summarising work done and emerging findings (this may include, where relevant to the organisation, aspects of the wider work carried out by the NIAO, for example, Value for Money reports and good practice findings);
- any management assurance reports; and
  - reports on the management of major incidents, "near misses" and lessons learned.

As and when appropriate the Committee will also be provided with:

- 8.4 proposals for the terms of reference of Internal Audit/the Internal Audit charter;
- 8.5 the Internal Audit strategy;
- 8.6 the Head of Internal Audit's Annual Opinion and Report;
- 8.7 quality assessment reports on the Internal Audit function;

- 8.8 the draft accounts of the organisation;
- 8.9 the draft Governance Statement;
- 8.10 a report on any changes to accounting policies;
- 8.11 External Audit’s Report To Those Charged With Governance
- 8.12 a report on any proposals to tender for audit functions;
- 8.13 a report on co-operation between Internal and External Audit; and
- 8.14 the organisation’s Risk Management strategy.

## 9 REVIEW OF TERMS OF REFERENCE

The Terms of Reference of the Audit & Risk Committee should be reviewed on an annual basis.

<b>Approved at the Audit &amp; Risk Committee</b>	<b>Approved at the Governing Body</b>
10/09/2024	25/09/2024
12/09/2023	26/09/2023
20/09/2022	05/10/2022