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# 1 INTRODUCTION

The Board has agreed that the structure for governance of Activate Learning Group will be based on a policy-driven structure.

The purpose of the handbook for governors is to set out what the Board, led by the Chair, will achieve through governance.

The handbook details the policy limitations or conditions, expectations and behaviours of the Executive and Governors.

# 2 AIM

The aim is for the Board to focus on ends, and the Executive to determine the means. However, within the framework, governors set their expectations on what limits they wish the Executive Team to have when acting on behalf of the Board.

# 3 RESPONSIBILITIES

## 3.1 THE GOVERNING BOARD WILL (THE ENDS):

- 3.1.1 Determine, approve, and monitor the current long term Strategic Plan, including the vision, mission, values, educational character of the business and priorities for key milestones and timelines.
- 3.1.2 Agree the annual governance business plan and budget.
- 3.1.3 Approve any material adjustments to the assets of the organisation, including land and buildings and capital expenditure, defined as follows:
  - Contracts or purchases over £200k in value must be approved by the Chair of the Corporation.
  - Deeds which require the Corporation seal all applications of the Corporation seal are approved (retrospectively if necessary) by the Corporation Board.
- 3.1.4 Approving the process and plans for engagement with local stakeholders in relation to the Local Skills Improvement Plans (LSIPs).
- 3.1.5 Approve key priorities, including having regard to the needs of the range of stakeholders, and community interests.
- 3.1.6 Determine, agree and monitor strategic key performance objectives (KPOs) and related key performance indicators (KPIs)
- 3.1.7 Approve any joint venture company agreements and other formal partnership agreements.
- 3.1.8 Evaluate and approve the performance appraisals for the Designated Senior Post Holders (DSPHs).
- 3.1.9 Approve the Policy Framework for the Group, which will identify:
  - i. T which will be the responsibility of the Board.
  - ii. Policies delegated to the Committees for oversight and scrutiny.
  - iii. Policies being the delegated responsibility of the CEO.

**Note:** The Policy Framework in this context refers to the wide range of policies that form part of the

## **4 EXECUTIVE LIMITATIONS**

### **4.1 EXECUTIVE CONSTRAINTS**

4.1.1 The CEO (as the Accounting Officer) is responsible and accountable to the Board. The Board will, within its best endeavours, ensure that the CEO does not cause or allow any practice, activity, decision, or organisational circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practice, in line with the appropriate codes of good governance.

### **4.2 FINANCIAL CONDITIONS ON ACTIVITIES (FINANCIAL REGULATIONS)**

4.2.1 The CEO will, regarding financial policies and practice, ensure that:

- i. Financial regulations and policies are kept up to date in line with relevant codes of practice.
- ii. All staff are made aware of their individual responsibility and accountability for knowing and understanding their role and requirements.
- iii. All staff work within these defined requirements.

4.2.2 The CEO will ensure regular monitoring and reviewing of compliance to the approved group Financial Regulations at least annually, and work with the external and internal audit and quality review teams to provide:

- i. Scrutiny
- ii. Monitoring
- iii. Reporting

in accord

### **4.3 BUSINESS PLANNING AND FINANCIAL BUDGETING**

4.3.1 The CEO will not cause or allow business planning and budgeting for any financial year and financial plan, without going back to the Board for agreement.

### **4.4 ASSET PROTECTION**

4.4.1

public image and reputation.

## **5 BOARD/EXECUTIVE ACCOUNTABILITY AND RESPONSIBILITYt3**

by law, regulation or contract to be approved by the Board.

5.4.3 Submit all monitoring data and information in a timely, accurate and understandable manner.

5.4.4 Inform the Board of any:

- i. Group events
- ii. Public events
- iii. Internal or external activities
- iv. Trends
- v. Internal or external changes

which may have a material impact on the organisation or cause the Board to consider the implications of the event or trend.

5.4.5 Ensure the Board is informed about staff treatment, related trends, the staff framework, and staff morale through the regular CEO reports to the Board.

5.4.6 Not withhold their opinion if they believe the Board is not in compliance with its own policies on governance process and Board management delegation, particularly in the case of Board behaviour that is detrimental to the working relationship between the Board and the CEO.

## **5.5 THE TREATMENT OF GOVERNORS**

The CEO will:

5.5.1 Deal with the Board in such a way that it that does not favour or provide privilege to certain Governors over each other except when:

- i. Fulfilling individual requests for information; or
- ii. Board.

## **5.6 BOARD LOGISTICS AND OTHER SUPPORT**

The CEO will:

5.6.1 Ensure the Board has sufficient staff administration to support governance activities and Board communication.

5.6.2 Enable the Board to have a Governance Professional and administrative support.

5.6.3 Ensure Governors have the necessary information and guidance to fulfil their roles effectively. This will include updates on the sector, access to a Governor Handbook and any policy documents agreed as part of the annual Policy Framework Review.

5.6.4 Provide adequate information and notice to Governors concerning Board actions, meetings, activities, and events that are part of their roles and responsibilities.

5.6.5

and contract law abiding by our Financial Regulations P



- 6.1.10 Use appropriate channels to communicate with the CEO.
- 6.1.11 Regularly monitor operational performance in the areas of the outcomes.
- 6.1.12 Ensure any issues with the CEO or the Chair are raised with the Governance Professional (as a designated senior post holder).

## **6.2 EXECUTIVE DIRECTORS ROLES**

- 6.2.1 The CEO may wish to bring to meeting other staff members to speak to or take part in discussions of an agenda item.

## **6.3 BOARD MANAGEMENT RELATIONSHIP**

The Governance Professional will ensure the Board has the following:

- 6.3.1 An agreed meetings and business schedule, with timelines.
- 6.3.2 Essential reporting documentation (e.g., quality reports, Balanced Scorecard) to inform board discussions and decisions.
- 6.3.3 Information relating to the impact \_\_\_\_\_ targets and goals.

## **6.4 BOARD MEETINGS**

- 6.4.1 The board meetings are intended to effectively carry out the work of the Board, defined by the Policy Framework.
- 6.4.2 The agenda for the meeting will be determined through discussion with the Chair and the CEO (supported by the Governance Professional).
- 6.4.3 All governors will demonstrate collective commitment to effective governance through the efficient use of valuable board meeting time.

## **6.5 Gtable board**

6.6.2 The Board's annual plan runs from September to August. The calendar of activity will include:

- i. Board meeting schedule.
- ii. Policy monitoring schedule.
- iii. Monitoring and evaluation documentation.

## **6.7 BOARD CODE OF CONDUCT AND BEHAVIOUR**

6.7.1 Governors are encouraged to:

- i. Consider diverse viewpoints.
- ii. Work in openness and transparency.
- iii. Embrace diversity.
- iv. Respect that everyone can be present as themselves.

6.7.2 Every governor agrees to the Seven Principles of Public Life, to obey all relevant laws and the Standing Orders.

6.7.3 Every governor, when joining the Board, commits to maintain group discipline, authority, and responsibility.

repeat explicitly made Board decisions.

6.7.16 Governors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honour confidentiality after leaving Board service.

6.7.17 Governors will prepare for and attend as many board meetings and training sessions as possible. In the case of unavoidable absence, a governor will notify the Governance Professional in advance.

6.7.18 Governors will have access to our Board Portal which includes e-mail, news, and meeting invites, and will commit to responding within 48 working hours to those communications that require action, unless extenuating circumstances apply.

6.7.19  
matter, irrespective of the g

6.7.20 A governor who does not follow the code of conduct may be asked to resign from the Board

# INSTRUMENT AND ARTICLES OF GOVERNMENT

## INSTRUMENT OF GOVERNMENT

### CONTENTS

Title	Page
1 Interpretation of the terms used in this Instrument and Articles of GovernmeAr	



<b>The staff</b>	Means all staff who have a contract of employment with the Corporation or its subsidiary companies
<b>Government funding agency</b>	Means any government agency or department from which the Corporation receives a funding allocation
<b>Variable category</b>	Meaning any category of Governors where numbers may vary

- 2.3 The Corporation, as the appointing authority, will decide whether a person is eligible for nomination, election, and appointment as a Governor of the Corporation under clauses 3.3 and 4.

### **3 APPOINTMENT OF GOVERNORS OF THE CORPORATION**

3.1 Subject to paragraph 3.2 the Corporation is the appointing authority in relation to the appointment of its Governors.

3.2 If the number of Governors falls below the number needed for a quorum, the Secretary of State is the appointing authority in relation to the appointment of those Governors needed for a quorum.

3.3 The appointing authority may decline to appoint a person as staff or student Governor if:

3.3.1 it is satisfied that the person has been removed from office as a Governor of a further education corporation in the previous ten years; or

3.3.2 the appointment of the person would contravene any rule or byelaw made under

any other case it shall cease on the expiration of three years from the date on which the terms of the deed of composition, arrangement or individual voluntary arrangement are fulfilled.

- 4.8 Subject to paragraph 4.9, a person shall be disqualified from holding, or from continuing to hold, office as a Governor if:
- 4.8.1 within the previous five years that person has been convicted, whether in the United Kingdom or elsewhere, of any offence and has received a sentence of imprisonment, whether suspended or not, for a period of three months or more, without the option of a fine; or
  - 4.8.2 within the previous twenty years that person has been convicted as set out in sub-paragraph 4.8.1 and has received a sentence of imprisonment, whether suspended or not, for a period of more than two and a half years; or
  - 4.8.3 that person has been deemed ineligible by the Disclosure and Barring Service (DBS); or
  - 4.8.4 that person has at any time been convicted as set out in sub-paragraph 4.8.1 and has received a sentence of imprisonment, whether suspended or not, of more than five years.
- 4.9 Subject to paragraph 4.10, a person shall be disqualified from holding, or from continuing to hold, office as a Governor if that person is disqualified from holding the office of trustee of a charity under the Charities (Protection and Social Investment) Act 2016.
- 4.10 To this regulation there shall be disregarded any conviction by or before a court outside the United Kingdom for an offence in respect of conduct which, if it had taken place in the United Kingdom, would not have constituted an offence under the law then in force anywhere in the United Kingdom.
- 4.11 Upon a Governor of the Corporation becoming disqualified from continuing to hold office under paragraphs 4.5 or 4.8, the Governor shall immediately give notice of that fact to the Governance Professional.

## **5 TERMINATION OF MEMBERSHIP**

### **5.1**





every Governor of the Corporation and at a charge not exceeding the cost of copying or free of charge to any other person who so requests a copy and shall be available for inspection at the Corporation upon request, during normal office hours, to every member of staff and every student.

## **10 CHANGE OF NAME OF THE CORPORATION**

10.1 The Corporation may change its name with the approval of the Secretary of State.

## **11 APPLICATION OF THE CORPORATION SEAL**

11.1 The application of the seal of the Corporation shall be authenticated by:

11.1.1 the signature of the Chair (or another Governor of the Corporation except for the staff and student governors); and

11.1.2 the signature of any other Governor (except for the staff and student governors).

# ARTICLES OF GOVERNMENT

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# **1 THE RESPONSIBILITIES OF THE CORPORATION**

The Corporation shall be responsible for the following functions:

- 1.1 the determination and periodic review of the educational character and mission of the Corporation and the oversight of its activities.
- 1.2 the organisation, direction, leadership and management of the Corporation.
- 1.3 setting a framework for the pay and conditions of service, and the appointment, assignment, grading, appraisal, suspension, dismissal and determination of the pay and conditions of service, for the Governance Professional, where the Governance Professional is also a member of the staff.
- 1.4 publishing arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the Corporation and the oversight of its activities.
- 1.5 the review and



- 7.3 The Corporation shall review and approve rules concerning the conduct of students, including procedures for their suspension and expulsion (including expulsion for an unsatisfactory standard of work or other academic reason), which shall have been developed in consultation with representatives of the students.

## **8 CO-OPERATION WITH GOVERNMENT AGENCIES**

- 8.1 The Corporation shall co-operate with any person authorised by the government agencies to audit any returns of numbers of students or claims for financial assistance and shall give any such person access to any documents or records held by the Corporation, including computer records.

## **9 INTERNAL AUDIT**

- 9.1 The Corporation shall, at such times as it considers appropriate, examine, and evaluate its systems of internal financial and other control to ensure that they contribute to the

## **10 ACCOUNTS AND AUDIT OF ACCOUNTS**

- 10.1 The Corporation shall:

- 10.1.1 keep proper accounts and proper records in relation to the accounts; and
- 10.1.2 prepare a statement of accounts for each financial year of the Corporation.

- 10.2 The statement shall:

- 10.2.1 give a true and fair account of the state of the the financial year and of its income and expenditure in the financial year; and
- 10.2.2 comply with any directions given by government funding agencies as to the information to be contained in it, the way the information is to be presented, the methods and principles according to which it is to be prepared and the time and manner of publication.

- 10.3 The accounts and the statement of accounts shall be audited by external auditors appointed by the Corporation in respect of each financial year.

- 10.4 Auditors shall be appointed, and audit work conducted in accordance with any requirements of government funding agencies.

- 10.5  
10.7, each successive period of twelve months.

- 10.6  
up to the second 31st July following that date, or up to some other date which has been chosen by the Corporation with the government funding agencies approval.

- 10.7 If the Corporation is dissolved:

- 10.7.1 the last financial year shall end on the date of dissolution; and
- 10.7.2 the Corporation may decide, with the government funding agencies approval, that what would otherwise be the last two financial years, shall be a single financial year for the purpose of this article.

## **11 COPIES OF ARTICLES OF GOVERNMENT, RULES AND BYE-LAWS**

- 11.1 The Corporation shall have the power to make rules and byelaws relating to the government and conduct of the Corporation and these rules and byelaws shall be subject to the provisions of the Instrument and Articles of Government.

- 11.2 A copy of these Articles, and of any rules and byelaws, shall be given free of charge to every Governor of the Corporation and at a charge not exceeding the cost of copying to any other person who requests a copy and shall be available for inspection at the institution upon request, during normal office hours, to every member of staff and every student.

## **12 MODIFICATION OR REPLACEMENT OF THE INSTRUMENT AND ARTICLES OF**

## **GOVERNMENT**

- 12.1 Subject to paragraph 12.2 the Corporation may, by resolution of the Governors, modify or replace its Instrument and Articles of Government, after consultation with any other
- 12.2 The Corporation shall not make changes to the Instrument or Articles of Government that would result in the body ceasing to be a charity.

## **13 DISSOLUTION OF THE CORPORATION**

- 13.1 The Corporation may by resolution dissolve itself and provide for the transfer of its property, rights, and liabilities.
- 13.2 The Corporation shall ensure that a copy of the draft resolution to dissolve the Corporation on a specified date shall be published at least one month before the proposed date of such resolution.

# STANDING ORDERS FOR THE CONDUCT OF BUSINESS

## INTERPRETATION

In these Standing Orders:

**Chai** means the Chair of





meeting.

- 3.3 Any Governor who is the Chief Executive, a Staff Governor or a Student Governor shall not be eligible to be appointed as Chair or Vice-Chair.
- 3.4 The Chair and Vice-Chair will normally be appointed following a show of hands or digital vote of Governors present and voting at the meeting. However, if demanded by any one Governor, the Chair and/or Vice-Chair shall be elected by secret ballot.
- 3.5 In this event, the Governance Professional will write to all Governors inviting them to put their names forward if they are willing to be appointed to the position of Chair or Vice-Chair (or either) and/or to nominate other governors for these appointments. Any governor wishing to nominate another governor must first ascertain that the prospective nominee is willing to be appointed.
- 3.6 The Governance Professional will advise all governors of the names of candidates for election as Chair. A closing date for voting will be given and responses received after that date will not be counted. The ballot will only be valid if the number of votes cast equals or exceeds the quorum for meetings of the Board as required by paragraph 5. If, for any reason, a candidate withdraws from the election, the process will continue with the remaining candidates.
- 3.7 The Governance Professional will publish to the governors the name of the successful candidate. In the event of a tied vote, the vote cast by the current Chair shall be counted twice (as a casting vote) provided that person is not a candidate in the election. If the Chair is a candidate in the election or did not submit a vote, the Governance Professional shall organise a re-election using the same procedure. When the Chair has been elected, the Governance Professional will prepare and distribute a second ballot paper containing the names of candidates for election as Vice-Chair which will follow the same procedure

#### **4 MEMBERSHIP, TERM OF OFFICE AND TERMINATION**

4.1 The Corporation shall consist of:

4.1.1 A minimum of 5 external Governors.

4.1.2 At least 1 staff governor nominated by the staff.

4.1.3 At least 1 student governor nominated and elected by fellow students

to be a student as the Corporation may decide; or

- service, promotion, conduct, suspension, dismissal, or retirement are to be considered.
- 6.7.2 from that part of any meeting of the Corporation at which the appointment of their successor is to be considered; or
  - 6.7.3 if so, required by a resolution of the other Governors present, from that part of any meeting of the Corporation at which the appointment, remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement of any member of staff holding a post senior to their own are to be considered.
- 6.8 The Governance Professional shall withdraw from that part of any meeting of the Corporation or any committee of the Corporation at which their remuneration, conditions of service, conduct, suspension, dismissal, or retirement in their capacity as Governance Professional are to be considered.
- 6.9 If the Governance Professional withdraws from a meeting or part of it under Paragraph 6.8:
- 6.9.1 the Corporation shall appoint from their number a person to act as Governance Professional; or (as the case may be)
  - 6.9.2 the committee in question shall appoint from their number a person to act as Governance Professional to the committee.
- 6.10 A student governor who is under the age of 18 shall not vote on any question concerning any proposal:
- 6.10.1 for the expenditure of money by the Corporation; or
  - 6.10.2 under which the Corporation, or any Governors of the Corporation, would enter any contract, or would incur debt or liability (whether immediate, contingent or otherwise).
- 6.11 Except for agreeing and establishing the rules and procedures concerning the conduct of students, including procedures for their suspension and expulsion (including expulsion for an unsatisfactory standard of work or other academic reason) a student governor shall withdraw from that part of any meeting of the Corporation at which their conduct, suspension or expulsion is to be considered.
- 6.12 In any case where the Corporation is to discuss the appointment, remuneration, conditions of service, promotion, conduct, suspension, dismissal, retirement of a member or prospective member of the staff of the institution, a student governor shall:
- 6.12.1 take no part in the consideration or discussion of the matter in question and not vote on any question with respect to the matter; and
  - 6.12.2 where required to do so any71ione

Governors at that meeting, e.g., the adoption of the budget.

8.5 The Chair shall determine when a motion shall be decided but, it shall also be possible for a majority of Governors to move that the question shall not be put.

8.5.1 Motions shall be proposed and seconded before a vote can be taken. If there is no seconder, a motion will fall.

8.5.2 If there is a vote on an amendment which is passed, then the original motion becomes substantive, and may be further discussed.

8.6 Any Governor having a personal interest in a motion shall declare that interest and shall take no Governor under such circumstances withdraw, then they shall do so forthwith.

8.7

authorised to refer the matter to the appropriate agency and inform the Chair and CEO that this has been done.

#### **14 ADJOURNMENT**

14.1 The Chair may at any time adjourn a meeting of the Corporation. The decision of the Chair in this matter shall be final and shall not be open to discussion.

#### **15 GOVERNOR**

15.1 No Governor (except the Chair of the Corporation by agreement) shall receive any remuneration for their services as a Governor, other than a Governor who is a member of the staff of the Institution (including the CEO) and may receive remuneration in that capacity.

15.2 A Governor who has any financial or other conflicting interest in:

- 17.5.2 the draft minutes of every meeting if they have been approved by the Chair of the meeting.
- 17.5.3 the signed minutes of every such meeting; and
- 17.5.4 any report, document or other paper considered at any such meeting,
- shall, in each case as soon as may be, be made available during normal office hours at the Corporation to any person wishing to inspect them.
- 17.6 Some parts may be excluded from any item required to be made available in pursuance of Standing Order 17.5, any material relating to:
- 17.6.1 a named person employed at or proposed to be employed at the Institution.
- 17.6.2 a named student at, or candidate for admission to, the Institution; and
- 17.6.3 any matter which, by reason of its nature, the Corporation is satisfied should be dealt with on a confidential basis.
- 17.7 The Corporation shall ensure that a copy of the draft or signed minutes of every meeting of the Corporation shall be made available to any person wishing to inspect them, and shall make arrangements, which may include the use of a website, to ensure that copies of the draft or signed minutes of every meeting of the Corporation may be made available to any person wishing to inspect them, and shall make arrangements regarding the archiving of such material, remain on its website for a minimum period of 12 months.
- 17.8 The Corporation shall review regularly all material excluded from inspection and make any such material available for inspection where it is satisfied that the reason for dealing with the matter on a confidential basis no longer applies, or where it considers that the public interest in disclosure outweighs that reason.

## **18 COMMITTEES OF THE CORPORATION**

- 18.1 The Committees of the Corporation and their constitution and Terms of Reference shall be as set out in the schedule attached to these Standing Orders, or as subsequently amended by the Corporation. The Corporation may also establish committees under collaboration arrangements made with other further education institutions or maintained schools (or with both).
- 18.2 Every Governor appointed to be a member of a committee will cease to be a member of that Committee when they cease to be a Governor of the Corporation, unless retained as a co-opted governor.
- 18.3 Subject to Standing Order 18.2, a Governor's term of office as a member of a committee will be subject to the determination of the Corporation, with a maximum of three years from the date of their appointment.
- 18.4 Members of Committees shall be eligible for reappointment.
- 18.5 Co-opted Governors of Committees will be appointed by the Corporation and will hold office for a period determined by the Corporation.
- 18.6 Where the constitution of a Committee requires the Committee to appoint a Chair, they must be selected from amongst Governors of the Corporation, unless specified otherwise in the Terms of Reference, except that the CEO or any staff or student governors shall be ineligible to be appointed as Chair.
- 18.7 Committees will normally meet in accordance with their Terms of Reference, on a date fixed by the Committee. However, the Chair has authority to rearrange the date of a meeting in consultation with the Governance Professional if there are good reasons for so doing. The Chair may also cancel a meeting if the Governance Professional advises that there is insufficient business requiring the meeting of the Committee.
- 18.8 For each meeting of each Committee of the Corporation, the draft or approved minutes will be submitted to the next meeting of the Corporation, whether the minutes have been approved.
- 18.9 In preparing the minutes, the Governance Professional will agree with the Chair those items which are confidential, and these will be prepared separately and submitted to the Corporation in that part of the meeting.
- 18.10 As soon as is practicable, once the Chair has approved the draft minutes, they shall be made



Freedom of Information Act 2000 and to ensure transparency of decision-making.

18.11 The CEO shall be entitled to attend meetings of any Committee of which they are not a member unless there is a conflict of interest.

18.12 The Governance Professional (or their nominated representative) shall attend meetings of all Committees. In the absence of the Governance Professional, the Committee shall nominate from its members an individual to undertake the minutes of the meeting.

## **19 CONFIDENTIALITY**

19.1 All Governors and co-opted governors of the Corporation and its Committees must respect the confidentiality of any papers made available to them whether for the purposes of Corporation or Committee meetings or otherwise, for so long as those papers remain confidential.

## **20 URGENT ACTION**

20.1 If, in their opinion, any matter which would otherwise be the responsibility of the Corporation is of an urgent nature, the CEO may, in consultation with the Governance Professional, obtain the agreement in writing of the Chair (or in their absence, the Vice-Chair) of the Corporation. This is provided however, that none of the non-delegable responsibilities of the Corporation referred to in the Articles of Government may be the subject of such action.

20.2 Every such decision shall be reported to the next available ordinary meeting of the Corporation for ratification.

## **21 AUTHENTICATION OF DOCUMENTS (COMMON SEAL)**

21.1 The Common Seal of the Corporation must be kept in a safe place at the Corporation by the Governance Professional who will affix the Common Seal to any document which requires to be sealed for the transaction of the business of the Corporation. The application of the Seal shall be authenticated by the signature of the Chair (or in their absence, another Governor except for the staff and student governors) together with the signature of any other Governor (with the exception of the staff and student governors).

21.2 An entry of the sealing of every order, deed, or oap68875 1e to







auditor, the funding auditor and the internal audit service.

7.2.2 Considering and advising the Corporation on the audit needs assessment and strategic and annual internal audit plans for the internal audit service.

7.3 To advise the Corporation on matters of internal audit control and other issues included in the management letters of the financial statements and regulatory auditor and of any reports submitted to these.

7.4 To consider and advise the Corporation on relevant reports by the National Audit Office, the ESFA, and other funding bodies, and where appr

7.5

7.5.1 monitoring the implementation and ensuring Management Policy.

7.5.2 making recommendations to the Corporation on the Risk Management Policy.

7.5.3 approving the risk register and action plan and reviewing its progress.

7.5.4 assigning risks to other Corporation committees as appropriate.

7.5.5 ensuring the Risk Management Policy is reviewed regularly by the internal audit service.

7.5.6 advising the Corporation on the effectiveness of the system for the management of

- 8.4 To produce an annual report for the Corporation before the statement of corporate governance and internal control in the annual accounts is signed, which should include:
- 8.4.1 a summary of the work undertaken by the Committee.
  - 8.4.2 any significant issues arising up to the date of preparation of the report.
  - 8.4.3 any significant matters of internal control included in the reports of audit and assurance providers.
  - 8.4.4 reference.
  - 8.4.5 assurance arrangements, framework of governance, risk management and control processes for the effective and efficient use of resources, solvency, and the safeguarding of assets.
- 8.5 all allegations of fraud and irregularity are proportionately, independently and properly investigated and reported to the Committee and the external auditor (and internal auditor if applicable) and ensure that appropriate follow-up action has been planned/actioned.
- 8.6 To ensure that all significant cases of fraud or irregularity are reported to the Chief Executive of the appropriate funding body (see note on definition of significant).
- 8.7 To ensure risks around fraud have been identified and controls put in place to mitigate them.
- 8.8 To be informed of all additional services undertaken by the internal auditors, the financial statements auditor and the funding auditor.
- 8.9 Strategy.
- 8.10 The expenses of the designated senior post holders and governors will be reviewed at least annually by the Committee.
- 9. DECISIONS OF THE COMMITTEE**
- 9.1 In making its decision the Audit and Risk Committee will consider the following aspects:
- 9.1.1 objectives and its financial and non-financial targets
  - 9.1.2 organisational structure and Caliber of the senior leadership team.
  - 9.1.3 culture, approach, and resources with respect to the management of risk.
  - 9.1.4 delegation of authority.
  - 9.1.5 public reporting.
  - 9.1.6 timely identification and assessment of significant risks, the prioritisation of risks and the allocation of resources to address areas of high exposure.
  - 9.1.7 quality and timeliness of information on significant risks and the time it takes for control breakdowns to be recognised or new risks to be identified.
  - 9.1.8 the ability of the Group to learn from its problems and its commitment and responsiveness with which corrective actions taken are implemented.

**10. RIGHTS OF THE COMMITTEE**

10.1 The Committee has the right to investigate any activity within its terms of reference and has the right to access all the information and explanations it considers necessary, from whatever source, to fulfil its remit.

## **11. REVIEW**

11.1 The Committee shall review these Terms of Reference annually and make recommendations to the Corporation in the event of any changes.

### **Note: DEFINITION OF SIGNIFICANT AS DEFINED BY THE ESFA POST 16 AUDIT CODE OF PRACTICE, PART 2, APRIL 2023**

Significant fraud is usually where there is one or more of the following factors (though this list is not exhaustive):

the gross amount of the loss (i.e., before any insurance claim) is in excess of £10,000.

there is likely to be public interest because of the nature of the fraud or the people involved.

the particulars of the fraud are novel or complex.

the fraud is systematic or unusual in nature











1. **PURPOSE**

1.1

