

Title	Audit and Assurance Committee Terms of Reference
Published	20 September 2021
Author	Audit & Assurance Committee
Approver	Board

RISK MANAGEMENT AUTHORITY

AUDIT & ASSURANCE COMMITTEE

TERMS OF REFERENCE

1. TERMS OF REFERENCE FOR AUDIT & ASSURANCE COMMITTEE

1.1 The Board has established an Audit and Assurance Committee as a Committee of the Board to support them in their responsibilities for issues of risk, control and governance and associated assurance through a process of constructive challenge.

2. MEMBERSHIP

2.1 The members of the committee are:

- Stephen McAllister – Chair
- Jane Davey
- Terry Powell
- Jim Farish

2.2 The committee will be chaired by Mr Stephen McAllister.

2.3 The chair of the committee may not chair other committees.

2.4 The RMA Convener cannot be considered for membership for his committee.

2.5 The committee will be provided with a secretariat function by the Director of Corporate Services.

3. REPORTING

3.1 The committee will formally report in writing to the Board and Accountable Officer after each meeting. A copy of minutes of the meeting may form the basis of the report.

3.2 The committee will provide the Board and Accountable Officer 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

4.1 The committee will advise the Board and Accountable Officer on:

- 4.1.1 the strategic processes for risk, control and governance and the Governance Statement;
- 4.1.2 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;
- 4.1.3 the planned activity and results of both internal and external audit;
- 4.1.4 the adequacy of management response to issues identified by audit activity, including external audit's management letter/report;
- 4.1.5 the effectiveness of the internal control environment;
- 4.1.6 assurances relating to the corporate governance requirements for the organisation;
- 4.1.7 (*where appropriate*) proposals for tendering for either internal or external audit services or for purchase of non-audit services from contractors who provide audit services;
- 4.1.8 anti-fraud policies, whistle-blowing processes, and arrangements for special investigations.

4.2 The committee to review and approve annual report and accounts

4.3 The committee will also periodically review its own effectiveness and report the results of that review to the Board and Accountable Officer.

5. RIGHTS

5.1 The committee may:

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

6. ACCESS

6.1 The Head of Internal Audit and the representative of External Audit will have free and confidential access to the Chair of this committee.

7 MEETINGS

7.1 The procedures for meetings are:

- 7.1.1 the committee will meet at least four times a year. The Chair of the Committee may convene additional meetings, as he/she deems necessary;
- 7.1.2 a minimum of 2 members of the committee will be present for the meeting to be deemed quorate;

- 7.1.3 committee meetings will normally be attended by the Accountable Officer, the Director Business Performance, a representative of Internal Audit, and a representative of External Audit;
- 7.1.4 the committee may ask any other officials of the organisation to attend to assist it with its discussions on any particular matter;
- 7.1.5 the 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;
- 7.1.6 the Board or Accountable Officer may ask the committee to convene further meetings to discuss particular issues on which they want the Committee's advice.
- 7.1.7 committee business will be structured as per Appendix 1.

Change Log			
Date	Type	From	To
17 February 2019	Review – Audit & Assurance Committee		
15 February 2021	Review – Audit & Assurance Committee		No Amendments
20 September 2021	Review – Audit and Assurance Committee		Updated to reflect current Committee Membership