

**HRA Audit and Risk Committee Manual**

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1. **Introduction**
	1. The purpose of this manual is to provide a framework for the Audit and Risk Committee as it continually reassess its system of governance, risk management, and internal control to ensure that it remains effective and fit for purpose in providing the Committee with the assurance it requires. It can also provide part of the mechanism for inducting new members.

**The role of the Audit and Risk Committee**

* 1. The Audit and Risk Committee is a committee to the Health Research Authority’s Board (the Authority) as defined in paragraph 4.6.1 of the Authority’s Standing Orders which states the following.

*In line with the requirements of the NHS Audit Committee Handbook, NHS codes of Conduct and Accountability, and more recently the Higgs report, an Audit committee will be established and constituted to provide the Board with an independent and objective review of its financial systems, financial information, governance arrangements, and compliance with laws, guidance and regulations governing the NHS. The Terms of Reference will be approved by the Board and reviewed on a periodic basis. The Higgs report recommends a minimum of three non-executive directors be appointed.*

*The Committee will*

1. *Advise the Board on Internal and External Audit services.*
2. *Review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the Authority’s activities, that supports the achievement of the Authority’s objectives and make recommendations to the Board.*
3. *Monitor compliance with Standing Orders and Standing Financial Instructions and make recommendations to the Board.*
4. *Review schedules of losses, compensations and Special Payments and make recommendations to the Board.*
5. *Review the accounting policies, annual accounts and annual report and make recommendations to the Board.*
6. *Report in writing to the Board.*
	1. It is the responsibility of the Accounting Officer (i.e. Chief Executive Officer) to ensure that the organisation properly exercises its obligations / responsibilities in relation to issues of risk, control, governance and associated assurances. As a result the Committee will review the Annual Governance Statement - this being a primary disclosure statement within the final accounts - prior to signing by the CEO.
	2. In discharging its duties the Audit and Risk Committee will:
		1. Review the comprehensiveness of assurances in meeting the Authority’s/Accounting Officer’s assurance needs
		2. Review the reliability and integrity of these assurances
		3. Review the adequacy of the Authority and Accounting Officer in discharging their responsibilities
		4. Maintain a focus on achieving strong financial management across the organisation that will underpin operational developments
		5. In the context of the economic climate and funding constraints, reviewing the potential impact of proposed cost reductions on the quality of operational services.
	3. HM Treasury’s Audit Committee Handbook provides further guidance on the role of audit committees, the role of the chair of the audit committee and good practice. <http://www.hm-treasury.gov.uk/audit_committee_handbook.htm>
	4. In conducting their review the Committee will consider whether the Authority and the Accounting Officer are:
		1. promoting the highest standards of propriety in the use of HRA funds and encouraging proper accountability for the use of those funds
		2. improving the quality of financial reporting by periodically reviewing internal and external financial statements on behalf of the Authority
		3. promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement
		4. identifying and managing risk and promoting the development of internal controls systems which will help satisfy the Authority that the HRA will achieve its objectives and targets
		5. operating in accordance with any statutory requirements for the use of public funds, within delegated authorities laid down within the Authority’s Standing Orders and procedures on what matters should be referred to the Authority and in a manner which will make most economic and effective use of resources available
7. **Terms of reference - Audit & Risk Committee**

**HEALTH RESEARCH AUTHORITY**

**AUDIT AND RISK COMMITTEE**

**TERMS OF REFERENCE**

* 1. **Constitution**
		1. The Health Research Authority (HRA) Board resolves to establish a Committee known as the Audit and risk committee.
		2. The Higgs report recommends a minimum of three non-executive directors be appointed.
		3. The Committee will have no executive powers other than those specifically delegated in these Terms of Reference. The Audit committee in its workings will be required to adhere to the Authority’s Standing Orders and Code of Conduct.
	2. **Purpose of the audit committee**
		1. The role of the Audit & Risk Committee is to advise the Health Research Authority's (HRA) Principal Accounting Officer and the HRA Board on internal and external audit services, risk management, corporate governance and assurance arrangements in the HRA.
		2. The authority Standing Orders (SOs) state that the committee will:
1. *Advise the Board on Internal and External Audit services*
2. *Review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the Authority’s activities, that supports the achievement of the Authority’s objectives and make recommendations to the Board.*
3. *Monitor compliance with Standing Orders and Standing Financial Instructions and make recommendations to the Board.*
4. *Review schedules of losses and compensations and made recommendations to the Board.*
5. *Review the accounting policies, annual accounts and annual report and make recommendations to the Board.*
6. *Report in writing to the Board.*

*The authority SFIs also state that the committee will:*

1. *Review financial and information systems and monitor the integrity of the financial statements and reviewing significant financial reporting judgments.*
2. *Review single tender actions, any other novel procurement practices and contracts entered into above £100,000;*
3. *Review the information prepared to support the Assurance Framework process prepared on behalf of the Board and advising the Board accordingly.*
	1. **Membership**
		1. Membership will be made up of 3 non-executive directors of the HRA, and, in addition, for a period of two years to October 2018, up to 2 external members of the Audit Committee. All members should have considerable professional and leadership experience, one must have recent and relevant financial experience and at least one member should have experience from outside the NHS or public sector. One of the members will be appointed Chair of the committee by the Board.
	2. **Attendance**
		1. The Director of Finance, Procurement & Estates and appropriate Internal and External Audit representatives shall normally attend meetings. At least once a year the Committee should meet privately with the External and Internal Auditors. The Committee will aim to meet with Internal Auditors prior to each meeting where possible.
		2. The Chief Executive and other Executive Directors or nominated deputies, should be invited to attend, but particularly when the Committee is discussing areas of risk or operation that are the responsibility of that director.
		3. The Chief Executive should be invited to attend at least annually to discuss with the Audit and risk committee the process for assurance that supports the governance statement. They may attend when the committee considers the Annual Accounts and Draft Internal Audit Plan.
		4. Any other person may also attend with the agreement of the Chairman of the Committee.
		5. The Authority Secretary will ensure that an efficient secretariat service is provided to the Committee.
		6. A representative from the Department of Health Sponsor Team should be invited to attend the Committee.
	3. **Quorum**
		1. A quorum shall be three members two of whom must be non-executive members.
	4. **Frequency of meetings**
		1. Meetings shall be held not less than three times a year. The External Auditor or Head of Internal Audit may request a meeting. The Chair of the Committee may convene additional meetings as they deem necessary.
	5. **Authority**
		1. The Committee is authorised by the HRA Board to investigate any activity within its terms of reference and is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure that attendance of outsiders with relevant experience and expertise if it considers this necessary.
	6. **Duties**
		1. Governance, Risk Management and Internal Control
			1. The Committee shall review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation’s activities that supports the achievement of the organisation’s objectives. In particular, the Committee will review the adequacy of:
				* All risk and control related disclosure statements (in particular the governance statement), together with any accompanying Head of Internal Audit statement, external audit opinions or other appropriate independent assurances, prior to endorsement by the HRA Board.
				* The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements.
				* The policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by the Counter Fraud Specialists.
				* In carrying out this work the Committee will utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the over-arching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness
				* This will be evidenced through the Committee’s use of an effective forward agenda planner to guide its work and that of the audit and assurance functions that report to it.
				* The committee will monitor compliance with SOs and SFIs and make recommendations to the Board.
				* The committee will ensure that HRA is operating appropriate and effective raising concern practices (with any concerns raised regularly considered by the Committee).
				* The committee will provide assurance to the Board that the organisation is properly managing its cyber risk including appropriate risk mitigation strategies.
				* The Audit and risk committee will review the Authority’s Risk Register to satisfy themselves that assurance can be gained from the work of the Executive Directors and their Senior Managers who are responsible for managing risk as is reasonable.
				* To review the risks escalated from Directorate Risk Registers, which are reviewed by the Leadership Team to assess the status of risks at a corporate and operational level and the progress of control implementation, contingencies and action plans. The Committee shall review Losses and Special Payments, which will include the write off of bad debts and payments outside the scope of contractual arrangements.
		2. Internal Audit
			1. The Committee shall ensure that there is an effective internal audit function that meets mandatory Internal Audit Standards and provides appropriate independent assurance to the Audit and risk committee, Chief Executive and HRA Board. This will be achieved by:
				* Consideration of the provision of the Internal Audit service, the cost of the audit and any questions of resignation and dismissal.
				* Review and approval of the Internal Audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation, consideration of the major findings of internal audit work (and management’s response) and ensure co-ordination between the Internal and External Auditors to optimise audit resources.
				* Ensuring that the Internal Audit function is adequately resourced and has appropriate standing with the organisation.
				* Annual review of the effectiveness of internal audit.
				* Ensuring the internal auditors' access to the audit committee, encouraging communication beyond scheduled committee meetings.
		3. External Audit
			1. The Committee shall review the work and findings of the External Auditor and consider the implications and management’s responses to their work. This will be achieved by:
				* Consideration of the performance of the External Auditor.
				* Discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan, and ensure co-ordination, as appropriate, with Internal Audit.
				* Discussion with the External Auditors of their evaluation and audit risks and assessment of the HRA and associated impact on the audit fee.
				* Review all External Audit reports, including agreement of the annual audit letter before submission to the HRA Board and any work carried outside the annual audit plan together with the appropriateness of management responses**.**
		4. Risk Management Assurance
			1. To ensure the HRA has an effective risk management strategy and that a review of the main risks managed by the Executive is undertaken annually to support the governance assurance statement and the annual report.
			2. To ensure the Board is provided with regular assessments of the risks facing the Authority.
			3. To ensure the HRA has a suitable management structure and the necessary resources to manage risk effectively.
			4. To ensure that the HRA has a suitable risk management policy and submit to the Board for approval.
			5. To ensure the HRA has a communications plan for risk management and it is incorporated into the Authority’s Communication Strategy.
			6. To ensure that an effective risk escalation process is in place to manage urgent and ad hoc issues.
			7. To ensure there are robust arrangements around fraud risk management.
		5. Other Assurance Functions
			1. The Audit and risk committee shall review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications to the governance of the organisation.
			2. In addition, the Committee will review the work of other committees within the organisation, whose work can provide relevant assurance to the Audit Committee’s own scope of work.
		6. Management
			1. The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control, this will include the review of the schedules of losses and special payments.
			2. The committee shall satisfy itself that the HRA has adequate arrangements in place for countering fraud and shall review the outcomes of counter-fraud work and approve the counter-fraud work programme for the HRA.
			3. They may also request specific reports from individual functions within the organisation as may be appropriate to the overall arrangements.
		7. Financial reporting
			1. The Audit Committee shall review the Annual Report and Financial Statements before submission to the HRA Board focusing particularly on:
				* The wording in the Governance Statement and other disclosures relevant to the Terms of Reference of the Committee.
				* Changes in, and compliance with, accounting policies and procedures.
				* Unadjusted misstatements in the financial statements. Major judgmental areas.
				* Significant adjustments resulting from the audit.
			2. The Committee should also ensure that the systems for financial reporting to the HRA Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the HRA Board.
			3. Where it is decided that competitive tendering is not applicable and a Single Tender action is used, this fact and the reasons should be documented and recorded in an appropriate Authority record and reported to the Audit Committee at each meeting. (SFI 17.5.2)
	7. **Reporting**
		1. The minutes of the Audit and risk committee meetings shall be formally recorded and submitted to the members of the HRA Board. The Chair of the Committee shall draw to the attention of the HRA Board any issues that require disclosure to the full HRA Board, or require executive action. The circulation of any confidential minutes will be at the discretion of the Committee Chair.
		2. The Committee will provide the Authority with an Annual Report timed to support the finalisation of the accounts and the Annual Governance Statement. The report will summarise the conclusions from the work the committee has undertaken during the year.
		3. The following sub committees will report to the Audit Committee:
			1. Information Governance Steering Group (twice yearly) to support the annual information asset review and governance statement in this respect, and any other appropriate sub committees identified by, or at the request of the Audit Committee.
		4. The final minutes will be shared with the DH sponsor.
	8. **Other matters**
		1. The Committee shall be supported administratively by the Secretary to the committee, whose duties in this respect will include:
			1. Agreement of agenda with Chairman and attendees and collation of papers.
			2. Ensuring appropriate minutes are taken and a record of matters arising and issues to be carried forward is maintained.
			3. Advising the Committee on pertinent areas.
	9. **Papers**
		1. All papers for the Committee meetings will be circulated at least 5 working days in advance of meetings and in a form prescribed by the Committee.
		2. Draft minutes of each meeting will be circulated within 5 working days for comment and will provide a clear record of decisions reached and actions agreed.  Minutes will be formally approved at the subsequent meeting. The Secretary will maintain an action log, which will be reviewed at each meeting.
	10. **Review**
		1. The Terms of Reference of the Committee shall be reviewed by the HRA Board at least bi-annually.
4. **Audit & Risk Committee work programme**
	1. This programme of work has been developed taking into account the guidance in the HMT’s Audit Committee handbook. It works on the basis of five meetings per annum with the timing of the first and second meetings of the year (based on financial year) designed to link in with the requirement for the Committee to approve the Authority’s accounts.
	2. The Audit and Risk Committee’s Terms of Reference provide for additional meetings to be convened as necessary, by the Chair of the Audit Committee or External Auditors. The Chief Executive Officer or the Authority may ask the Audit Committee to convene further meetings to discuss particular issues on which Committee’s advice is sought.

**Audit and Risk Committee Work Programme - 2017/18**

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| **26 April 2017** |
| * Approve final HRA HGIAS Audit Plan 2017-18
* Review Audit and Risk Committee Manual (including Terms of Reference and 2017/18 Work Programme)
* Approve Risk Management Policy and Procedure and review new risk register format
* Verbal Head of Internal Audit End of Year Audit Opinion
* Review draft Governance Statement

*Regular items** Review Quarter 4 Risk Register
* Risk deep dive discussion – iCasework
* Review HGIAS Assurance reports
* Review delivery of HRA HGIAS Audit Plan 2016/17
* Note STA / Losses and special payments / Gift register
 |
| **06 June 2017** |
| * Approve Annual Report and Accounts 2016/17
* Review External Auditors ISA 260 report (management letter)
 |
| **02 August 2017** |
| * Governance arrangements and Board effectiveness consideration of recommendations 1 year on
* Approve Audit Committee Annual Report 2016/17
* Review scheme of delegation
* Review Information Governance Steering Group Annual Report 2016/17 (to note in future years this will be reviewed in April meeting)
* Review Declaration of Interest Register 2016/17
* Discuss draft Assurance Mapping Framework
* Discuss strategic risks and risk appetite (future Board seminar to follow)

*Regular items** Review Quarter 1 Risk Register (new format)
* Risk deep dive discussion – topic TBC
* Review HGIAS Assurance reports
* Review delivery of HRA HGIAS Audit Plan 2017/18
* Review Audit recommendations tracker
* Note STA / Losses and special payments / Gift register
 |
| **01 November 2017** |
| * Approve external audit planning report
* Review fraud position

*Regular items** Review Assurance Mapping Framework
* Review Quarter 2 Risk Register
* Risk deep dive discussion – topic TBC
* Review HGIAS Assurance reports
* Review delivery of HRA HGIAS Audit Plan 2017/18
* Review Audit recommendations tracker
* Note STA / Losses and special payments / Gift register
 |
| **February 2018** |
| * Review draft HRA HGIAS Audit Plan 2018-19

*Regular items** Review Assurance Mapping Framework
* Review Quarter 3 Risk Register
* Risk deep dive discussion – topic TBC
* Review HGIAS Assurance reports
* Review delivery of HRA HGIAS Audit Plan 2017/18
* Review Audit recommendations tracker
* Note STA / Losses and special payments / Gift register
 |

1. **Role of Internal Audit**
	1. Internal Audit is an appraisal or monitoring activity established by Management and directors to review and report on the adequacy and effectiveness of the system of internal control. This includes both financial and operational control and will encompass Risk Management, Governance, Accounting, Information Technology, Human Resources and Value for Money issues.
	2. Effective internal audit requires the function to be a service to management at all levels, which identifies, evaluates and provides an opinion on the adequacy of the organisations internal control framework with reference to achieving the organisation’s objectives.
	3. Internal Audit is a key part of the HRA’s internal control system because it measures and evaluates the adequacy and effectiveness of other controls so that:
		1. the Authority and senior management can know the extent to which they can rely on the whole system;
		2. And individual managers can know how reliable the systems are and controls for which they are responsible and any remedial action required.
	4. **Approach to internal audit**
		1. Internal Audit’s approach is to take a risk-based approach to audit to comply fully with the requirements of the Public Sector Internal Audit Standards (GIAS). This not only ensures compliance with best professional standards, but also ensures that External Audit may place reliance on the results of the work and makes a positive contribution to the Authority’s Annual Governance Statement. In some areas different approaches are required. Therefore regularity, contract and VFM audit techniques are employed where appropriate.
	5. **Statement of assurance**
		1. In order to provide the required statement of assurance, the Internal Audit service will undertake a programme of work, over a cycle authorised by the Authority, to achieve the following objectives:
			1. to review and appraise the soundness, adequacy and application of the whole system of control;
			2. to ascertain the extent to which the whole system of internal control ensures compliance with established policies and procedures;
			3. to ascertain the extent to which the assets and interests entrusted to, or funded by, the Authority are properly controlled and safeguarded from losses of all kinds;
			4. to ascertain that management information is reliable as a basis for the production of financial and other returns;
			5. to ascertain the integrity and reliability of information provided to management including that which is used in decision-making; and to ascertain that systems of control are laid down and operate to achieve the most economic, efficient and effective use of resources.
		2. In providing the annual assurance opinion, it should be noted that assurance can never be absolute. The most that the Internal Audit service can provide to the Accounting Officer and Audit and Risk Committee is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes
	6. **Reporting lines**
		1. Internal Audit is under the independent control and direction of the Audit and Risk Committee on behalf of the Authority. It is the responsibility of the Audit and Risk Committee to oversee the appointment and cost of Internal Audit provision.
		2. The HRA has an assigned Head of Internal Audit provided through an agreement with the Government Internal Audit Agency Health Group Internal Audit Service.
		3. The Audit and Risk Committee each year approves a rolling programme of audit work which will be prioritised in line with an assessment of the Authority’s key risks. The Director of Finance, Procurement and Estates monitors progress against this programme in liaison with the Internal Auditors and they report regularly to the Audit and Risk Committee on this.
		4. In respect of each Internal Audit assignment, the Internal Auditors present their findings to the Director of Finance, Procurement and Estates who will, with the appropriate Director and/or Head of Service, co-ordinate a response. The Internal Auditors then present their report and recommendations, together with management’s response, to the next available meeting of the Audit Committee.
		5. Management responses to Internal Audit findings identify responsibility for implementing recommendations and the line Director ensures that this is done within the agreed timescale. The Director of Finance, Procurement and Estates reports to each meeting of the Audit Committee on progress with implementing recommendations.
		6. Internal Audit submits an annual report to the Audit Committee that includes an overall assessment of Risk Management, Corporate Governance and the Control Environment for the year in question and a comparison of actual and planned activity for the period.
	7. **Rights of internal auditors**
		1. Internal Auditors have authority to:
			1. Enter (or require entry) into HRA premises at any time
			2. Access all records, documents and correspondence (including those held on computers) which may relate to financial or operational matters of the Authority
			3. Require and receive from staff or Authority members such explanations as are necessary concerning any matter under review
			4. Require any staff or member to produce upon request any cash, stores, documents or other Authority property under his/her control
		2. Staff and Authority members will co-operate openly and honestly with reviews
2. **Role of External Audit**
	1. The External Auditor for the HRA is a statutory appointment. The Comptroller and Auditor General (C&AG) is the auditor for the Health Research Authority.
	2. The C&AG is an officer of the House of Commons appointed by the Queen to report to Parliament on the spending of central government money. The C&AG is therefore independent of Government.
	3. The C&AG is granted comprehensive audit and inspection rights and has appointed the staff of the National Audit Office (NAO) to act on his behalf.
	4. The NAO conducts financial audits of all government departments and agencies and many other public bodies, and reports to Parliament on the value for money with which these bodies have spent public money. Its relations with Parliament are central to its work, and they work closely with other public audit bodies that have a role in other areas of public expenditure. The NAO has three main work streams – Financial Audit, Value for Money audits (VFM) and Investigations.
	5. **Financial audit**
		1. The NAO is responsible for auditing the accounts of all Government departments and agencies, and most ‘arm’s length’ public bodies including HRA and other Non-Departmental Public Bodies. The NAO is also responsible for auditing all National Loans Fund accounts and has several International clients. The C&AG is required to *form an opinion* on whether the financial statements give a true and fair view, and that they have been properly prepared. The C&AG is also required to form an opinion on *regularity*, i.e. that income and expenditure has been used as intended by Parliament, and that transactions have appropriate authority. If the NAO identifies material misstatements, the C&AG will issue a qualified audit opinion. Where there are no material misstatements or irregularities in the accounts, the C&AG may nonetheless prepare a report to Parliament on other significant matters. Such reports may be considered by the Committee of Public Accounts.
	6. **NAO timetable**
		1. Each year, the NAO is committed to presenting the following to the HRA:
			1. Audit Planning Report (prior to commencement of the audit) – This document outlines the risks identified during audit planning and the audit approach taken to address those risks
			2. Audit Completion Report, for June Audit Committee - This letter contains:
				* unexpected modifications to the C&AG’s certificate and report;
				* unadjusted misstatements (other than those deemed to be trivial);
				* material adjusted misstatements; material weaknesses in accounting and internal control systems identified;
				* and NAO’s views about the qualitative aspects of the Authority’s accounting practices and financial reporting
3. **Relationship of the Audit Committee with the HRA Executive**
	1. The Chief Executive of the HRA is the Accounting Officer and is responsible for ensuring that the HRA operates:
		1. sufficient and robust internal controls
		2. comprehensive financial reporting systems
		3. adequate systems for the identification and mitigation of risk
		4. adequate governance arrangements
	2. The Accounting Officer will discharge these duties through the Director of Finance, Procurement and Estates who will ensure that an adequate framework is in place so that suitable assurance and reliance can be derived. This is obtained through key documents submitted to the Committee such as financial / governance papers (e.g. accounts, policies), risk strategies / policies (e.g. risk register) and audit strategies / papers (e.g. audit plans, findings, reports
	3. The Accounting Officer will undertake the following activities:
		1. **Internal audit**
			1. Make recommendations to the Audit and Risk Committee to appoint the HRA’s internal auditors.
			2. Review their audit plan and agree with internal audit the plan to be presented for consideration by the Audit and Risk Committee.
			3. Review the content / scope of each audit that makes up the yearly audit programme. The annual audit programme will cover three areas: financial, governance and operational. These will be risk-based in nature.
			4. Review and agree the audit findings prior to submission to the Audit and Risk Committee. If audit findings are not agreed with the Accounting Officer, internal audit have a right to report independently to the Committee.
			5. Agree a response to audit findings with time-frames for any actions necessary.
			6. Present regular reports (audit tracker) to the Audit and Risk Committee.
			7. Note. The Audit and Risk Committee can commission its own investigations / value for money studies.
		2. **External audit**
			1. Review external audit planning report and agree with the external auditors the plan to be presented for consideration by the Audit and Risk Committee.
			2. Review the content / scope of each audit that makes up the yearly audit programme. These will be risk-based and may include national initiatives.
			3. Review and agree the audit findings prior to submission to the Audit and Risk Committee. If audit findings are not agreed with the Accounting Officer, external audit has a right to report independently to the Committee.
			4. Agree a response to audit findings with time-frames for any actions necessary.
			5. Present regular reports (audit tracker) to the Audit and Risk Committee.
			6. Note. The Audit Committee can commission its own investigations / value for money studies.
		3. **Risk register**
			1. Produce risk strategy for review by Audit and Risk Committee.
			2. Produce strategic risk register for review of Audit Committee.
		4. **Governance**
			1. Ensure financial / governance policies / systems are presented to the Audit Committee for approval.

**Document Control**

**Change Record**

| **Version Status** | **Date of Change** | **Reason for Change** |
| --- | --- | --- |
|  |  |  |
| Draft v 1.1 | 10th June 2013 | Initial draft for comments from audit committee with a view to finalise by October meeting. |
| Draft v 1.2 | 2nd October 2013 | Further suggested revisions for review by audit committee |
| Draft 1.3 | 8th October | Approved subject to minor changes |
| Draft 1.4 | 6th January 2014 | Minor amendments to ToR, reporting |
| Draft 1.6 | 10th Feb 2015 | Minor amendments to wording and work plan. |
| Draft 2.0 | 8tht March 2016 | Review by Audit Committee |
| FINAL 2.1 | 11th May 2016 | Finalisation following Audit Committee comments |
| Draft 2.2 | 28March 2017 | Updated ahead of Audit Committee review |
| FINAL 2.3 | 10 May 2017 | Updated following Audit Committee review |

**Reviewers**

| **Name** | **Position** | **Version Reviewed** |
| --- | --- | --- |
| **Audit Committee** |  | **V1.2** |
| **Audit Committee** |  | **V1.4** |
| **Audit Committee – 18 Feb 2015** |  | **V1.6** |
| **Board Secretary, Corporate Secretary, EMT, Audit Committee**  |  | **V2.0** |
| **Audit Committee**  |  | **V2.2** |
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**Distribution of Approved Version**

| **Name of person or group** | **Position** | **Version Released** |
| --- | --- | --- |
|  |  |  |
| Executive Management Group |  | V 1.3 |
| EMT |  | V1.6 |
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