

# Terms of Reference Group Audit and Risk Committee

(March 2019)

This Committee has devolved responsibility from the Group Board of Bolton at Home Limited, as set out below:

1. To approve any policies as delegated for the Committee's approval by the Group Board. Decisions about which policies will be made by the Group Board in line with the policy approval framework.
2. Overview of internal and financial control arrangements and systems, including procurement strategy and organisational delegations and financial regulations and financial delegations.
3. Overview of internal audit arrangements, including approving the annual audit programme and the consideration of related reports.
4. Overview and approve the appointment of internal auditors.
5. Overview of external audit arrangements, including making recommendations to the Group Board on the appointment of external auditors.
6. Overview of the Group's risk management strategy, processes and systems, including quarterly updates and an annual review of the Group's risk register.
7. Overview and consideration of all related reports regarding the Group's anti-fraud, anti-corruption and money laundering arrangements and requirements of the Criminal Finances Act 2017 and related legislation.
8. Overview and oversight of information governance and the Group's implementation of, and compliance with, the General Data Protection Regulation (GDPR) and the Data Protection Act 2018.
9. Monitoring the delivery of the value for money strategy and compliance with Regulator of Social Housing (RSH) standards.
10. Contribute to the compliance statements relating to National standards, taking account of audits during the year.
11. Annually hold individual in camera sessions with both the external and internal auditors.

The Arcon Housing Association Limited Board has delegated responsibility to the Committee in respect of the functions listed above, as agreed in the Intragroup Agreement between Arcon Housing Association Limited and Bolton at Home Limited.

## Membership of the Committee

Appointments to this Committee are to be made in accordance with Bolton at Home Limited's Rules.

- Members of the Committee (6) will be appointed by the Group Board each year, taking account of the specialist skills required for, and reviewed by, the Group Audit and Risk Committee.
- The Committee can co-opt up to 2 members with relevant skills and knowledge for a 2-year maximum period; any co-opted period will count towards any period of office as a Committee member.
- Co-opted members have no voting rights and will not be included in the quorum.

A member of the Executive Management Team will have the responsibility of Lead Supporting Officer for the Group Audit and Risk Committee, this being the Executive Director of Finance.

## Procedural matters relating to the Committee

- The quorum for the Committee shall be 3.
- Committee members who are co-optees to the Group Board, or who are co-optees to the Committee, shall not be included in the quorum.
- Any members unable to attend a meeting must inform the Governance and Regulation Team at the earliest opportunity to ensure that the Team are able to deal with any quoracy issues.
- The Chair of the Committee will always be a full (not co-opted) member of the Group Board and will be determined by the Group Board, but cannot be the Chair of the Group Board.
- The voting members of the Committee responsible for audit and risk must not include the Chair of the Group Board or any Executives.
- Any member of the Committee may (with the agreement of the Chair of the Committee) arrange for any other member of the Group Board to attend a meeting for which they are not available. Any such deputy will count towards the quorum for that meeting.
- The decision of the Committee, based on consensus, shall form the basis of a recommendation to the Group Board for its approval. If there is no consensus within the Committee, it will present the options to the Group Board.
- The agenda will be agreed with the Committee Chair and Lead Supporting Officer.
- Paid staff of Group Members cannot be members of the Committee.
- There will be no public access to Committee meetings.
- The calling of urgent meetings will be through the agreement of the Committee Chair and Lead Supporting Officer.
- The Committee shall make recommendations to the Group Board should there be significant financial implications, in accordance with the Group's financial regulations.
- The Committee shall provide an annual report to the Group Board on key elements of work.
- The Committee shall carry out an annual effectiveness review and report the results to the Group Board.

- In accordance with the Group's approved governance process, the Committee terms of reference will be reviewed annually by the Committee and the Group Board. They will be reviewed to ensure continued compliance with the Group Board's chosen code of governance, currently the National Housing Federation's Code of Governance Promoting Board Excellence for Housing Associations 2015 (the 2015 code).
- All Boards and Committees within the Group governance structure must consider annually their effectiveness and how they conduct their business, including:
  - a) their governing instruments, delegations, regulations, standing orders, structures, systems and other formal documentation;
  - b) the timing and frequency of meetings;
  - c) the format of their agendas, papers, minutes and communications;
  - d) their collective performance as a decision-making body; and
  - e) their compliance with the NHF code 2015 and their legal duties.

There must be a formal review of these matters at least every three years, to ensure best practice, and that documentation is compliant with the latest legislation and regulations.