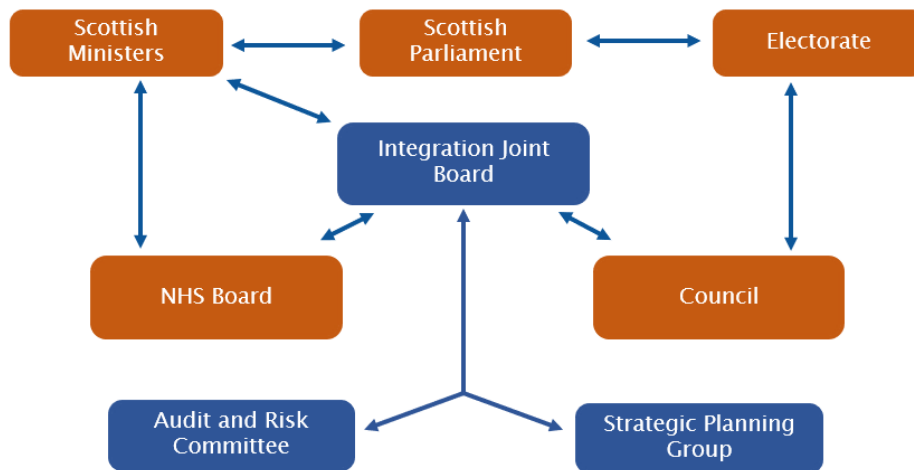


# Midlothian Integration Joint Board Audit and Risk Committee

## Terms of Reference

### 1. PURPOSE

- 1.1 The Midlothian Integration Joint Board (IJB) Audit and Risk Committee will hold overarching responsibility to review and provide assurance on the IJB's corporate governance arrangements. The Committee will report any concerns regarding the corporate governance arrangements to the IJB.



- 1.2 The Audit and Risk Committee shall formally report to Midlothian Integration Joint Board. The diagram above illustrates the relationship between the Audit and Risk Committee the Integration Joint Board, and other relevant bodies. This committee will be a standing committee of the IJB. Section 3.11 of the financial regulations of the IJB (approved by the IJB on 29<sup>th</sup> October 2015) state that the IJB will have an audit and risk committee. The members of the committee will be appointed by the IJB.

### 2. REMIT

- 2.1 The remit of the Audit and Risk Committee is to
- review the IJB's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
  - review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
  - monitor the effective development and operation of risk management in the IJB.
  - consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

- approve the risk-based internal audit plan, including internal audit's resources requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- consider reports from the Chief Internal Auditor on internal audit's performance during the year, including the performance of external providers of internal audit services.
- Review the delivery of best value by the IJB.
- consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- consider specific reports as agreed with the external auditor.
- comment on the scope and depth of external audit work and to ensure it gives value for money.
- commission work from internal and external audit.
- review the annual statement of accounts.
- consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

### 3. MEMBERSHIP

- 3.1 The role of Chair will be held by a voting member of the IJB noting that the Chair of the IJB cannot also be the Chair of the Audit and Risk Committee.
- 3.2 The role of Vice Chair will be held by one of the voting members of the IJB who is also a member of the Audit and Risk Committee.
- 3.3 The Audit and Risk Committee shall comprise of:
- Four Voting Members of the IJB (inclusive of the Chair), two from Midlothian Council and two from NHS Lothian.
  - An Independent Member.
- The following Officers will be in attendance
- The IJB's Chief Officer
  - The IJB's Chief Finance Officer
  - The IJB's Chief Internal Auditor.
  - The IJB's Appointed Auditor (external auditor)
  - The HSCP's Integration Manager
- 3.4 Each member should have a nominated deputy who will attend meetings in their absence.
- 3.5 The committee may ask any other members of the IJB or any officers from either partner to join the committee's meetings as required.

### 4. QUORUM

- 4.1 The quorum will be three members out of the five members detailed in 3.3 (that is including the independent member if one is appointed).

## **5. ROLE OF THE MEMBERSHIP**

- 5.1 Members will be expected to review and comment on papers and reports presented to the committee.
- 5.2 Members may require, through the Chair, further information to be provided on any matter they consider not to have been fully explored.
- 5.3 The Chair and members will provide a report to the IJB annually reflecting on the work of the committee.
- 5.4 The Chair and the members having reviewed the IJB's risk register will present that annually to the IJB

## **6. FREQUENCY OF MEETINGS**

- 6.1 The Audit and Risk Committee will be scheduled to meet every quarter.
- 6.2 The Chair may, at any time, convene additional meetings.

## **7. SUPPORT AND MINUTES**

- 7.1 Administrative support will be provided by the Midlothian Council's Democratic Services.

## **8. CONDUCT OF BUSINESS**

- 8.1 Meetings will be called by the Chair.
- 8.2 A calendar of meetings for each year shall be agreed by members of the IJB and distributed.
- 8.3 The body of the agenda will consist of
  - Minutes of the previous meeting
  - Review of the Risk Register
  - Reports from Internal/External Auditors
  - Any further reports as agreed.
- 8.4 The Chair will review all submissions for suggested agenda items and circulate an agenda at least five working days before the date of the meeting.

## **9. REPORTING ARRANGEMENTS**

- 9.1 A record of the agenda and action notes will be maintained.
- 9.2 Actions generated during the meeting will also be captured using an Action Log.