



**Northern Ireland
Fire & Rescue Service**

Audit, Risk & Governance Committee Terms of Reference

April 2014

AUDIT, RISK & GOVERNANCE COMMITTEE

Terms of Reference

To support the Board in their responsibilities for issues of risk control and governance(including information management) by reviewing the comprehensiveness of assurances in meeting the Board and Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances.

Key Areas of Responsibility

- Governance and Internal Control -
 - To advise on and oversee the strategic processes for risk management, control and corporate governance and the statements of internal control
 - To advise on and oversee assurances relating to the corporate governance requirements for the Organisation
 - To advise on and oversee anti-fraud policies, whistleblowing processes, and arrangements for special investigations
 - To advise on and oversee assurances on information governance
- Internal Audit -
 - To agree the Board's audit strategy and monitor the planned activity and outcomes of both internal and external audit, including management reviews
 - To advise on the adequacy of management response to issues identified by audit activity
 - To advise on the effectiveness of the internal control environment
 - To advise (where appropriate) on proposals for tendering for either Internal or external audit services or for purchase of non-audit services from contractors who provide audit services
- Financial Reporting -
 - To review NIFRS Annual Report and the Financial Statements before submission to the Board, focussing particularly on:
 - the Letter of Representation which accompanies the draft Final Accounts
 - changes in, and compliance with, accounting policies and practices
 - unadjusted errors in the Financial Statements
 - major judgemental areas
 - significant adjustments resulting from the audit
 - To advise on the adequacy of management response to issues identified by audit activity, including external audit's Management Letter
 - To ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of information provided to the Board
- Performance Management -
 - Strategic and Corporate Business Plan
 - NIFRS Key Performance Indicators/Review
 - Monthly/Quarterly/Annual Performance and Business Improvement Reporting

Membership

The Membership of the Audit, Risk & Governance Committee shall be as follows:

5 non-executive Members, 2 of whom will be Chairman and Vice-Chairman of the Committee. The Board Chairman and the Chief Fire Officer are not Members of this Committee.

The Accounting Officer, Directors of Planning, Performance & Governance and Finance and representatives of Internal and External Audit will normally attend Meetings of the Audit, Risk & Governance Committee. Other relevant members of the Senior Management Team will attend as required by the Chief Executive to ensure that appropriate information and advice is provided to the Committee. 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.

Quorum

A quorum of the Committee shall be at least 3 non-executive Members.

Accountability

The Audit, Risk & Governance Committee is a Standing Committee of the Board and accountable to the Board.

The Chairman of the Committee shall make a report to the Board immediately following each Committee meeting, drawing the Board's attention to any issues that require disclosure to the full Board.

The Audit, Risk & Governance Committee will provide the Board and Accounting Officer with an Annual Report, timed to support finalisation of the accounts and the Statement of Internal Control, summarising its conclusions from the work it has done during the year.

Frequency

The Committee will meet at least 4 times each year or more frequently as required.

The Board or the Accounting Officer may ask the Committee to convene further Meetings to discuss particular issues on which they want the Committee's advice.

Rights

The Audit, Risk & Governance Committee may:

- Procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by the Board (as per Standing Order 11.1).

Access

The representatives of Internal and External Audit will have free and confidential access to the Chairman of the Audit, Risk & Governance Committee and there will be at least one formal meeting annually with each.

The Minutes of each Meeting will be considered by the Chairman of the Committee prior to submission for ratification and adoption by the Board.

The Chairman of the Committee shall make a report to the Board immediately following each Committee Meeting, drawing the Board's attention to any issues that require disclosure to the full Board.

Agenda

Standard Agenda, Minutes and reporting templates to be developed.

Other Matters

The Committee shall, at least once a year (normally in October), review its own performance, constitution and terms of reference and recommend any changes it considers necessary to the Board for approval.

GENERAL COMMITTEE MATTERS

Notwithstanding the provision of other Standing Orders, the Board or the Chairman may refer any matter to a Committee for consideration and report.

Election of Chairman and Vice-Chairman of Committees

Each Committee shall elect a Chairman and Vice-Chairman from its Members. Membership including the positions of Chairman and Vice-Chairman will be reviewed annually, normally in October of each year, by each Committee.

Role of Chairman and Vice-Chairman of Committees

The Chairman (and in his/her absence the Vice-Chairman) of each Committee shall be responsible to the Board for the general direction of the business entrusted to that Committee and shall take charge of, or in his/her absence arrange for, the moving of adoption of the Committee report at the Meeting of the Board to which it is submitted.

Powers of All Committees

All Committees of the Board shall be advisory, and their function shall be to make recommendations and reports to the Board. (The Board may delegate to a Committee with or without restrictions in conditions as the Board thinks fit any functions exercisable by the Board except the power of borrowing money or acquiring, holding or disposing of land and any transferred provision regulating the exercises of a function by the Board shall also apply to regulate the exercise of that function by a Committee.)

Committees, with Board approval, may appoint Sub-Committees or Working Parties as they may decide and shall set out the Terms of Reference, expected timescales, resources and membership. Where Committees are authorised to establish Sub-Committees they may not delegate executive powers to the Sub-Committee unless expressly authorised by the Board.

Proceedings of such groupings shall be submitted to the Parent Committee for adoption before a report is made to the Board.

Committee Procedure

The Standing Orders relating to procedure at Board Meetings shall, so far as is practical, govern the procedure at Committee Meetings.

Ex-officio Members

The ex-officio Members of NIFRS Committees have exactly the same rights and privileges as do all other Members including the right to vote. However, ex-officio Members are not counted in determining the number required for a quorum or in determining whether a quorum is present if the Standing Orders of NIFRS provide that they are ex-officio Members of all Committees.