

Audit and Risk Committee Terms of Reference

1. The Board of the Sports Grounds Safety Authority (SGSA) has established an Audit and Risk Committee (the Committee) as a sub-committee of the Board to support it in its responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Board's and the Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances.

Membership

2. There shall be not less than three non-executive Board members of the Committee, although all non-executive board members may attend at their discretion or when requested to do so by the Chair of the Committee.
3. The Chair of the Committee shall be a non-executive Board member appointed by the Board.
4. The secretary to the Committee shall be the SGSA's Head of Corporate Services, supported by other Headquarters staff as required.

Meetings

5. The Committee shall meet at least twice during the financial year. The Chair of the Committee may convene additional meetings as he or she deems necessary.
6. Two members of the Committee shall constitute a quorum.
7. Meetings of the Committee shall be separate from those of the Board, but these may run consecutively.
8. Committee meetings shall normally be attended by the Accounting Officer, the Head of Corporate Services, a representative of the outsourced Internal Audit Partner and a representative of the External Auditor.
9. The Committee may ask any other officials of the organisation to attend to assist it with its discussions on any particular matter.
10. 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.
11. 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.

Access

12. The Internal Audit Partner and the representative of the External Auditor shall have free and confidential access to the Chair of the Audit Committee.
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Reporting

13. The Chair will provide a verbal report to the subsequent Board meeting after each Committee meeting.
14. The Committee will provide the Board and Accounting Officer with a verbal report, timed to support finalisation of the accounts and the Governance Statement, summarising its conclusions from the work it has done during the year.

Responsibilities

15. The Audit and Risk Committee shall satisfy the Board's responsibility for, and advise the Accounting Officer on:
 - a. The strategic and management processes for risk, control and governance and the Governance Statement;
 - b. Consider routine reports on financial performance, including progress against the agreed budget and provide assurance to the Board on the budget setting and monitoring process;
 - c. The accounting policies, the accounts and the annual report of the SGSA, including the process for reviewing the accounts prior to their submission for audit, levels of error identified and recommend approval of the accounts and the annual report to the Board;
 - d. The planned activity and results of both the internal and the external audit, including the approval of their proposed audit fees;
 - e. The adequacy of the management response to issues identified by audit activity, including the external auditor's management letter and/or report;
 - f. Assurances relating to the corporate governance requirements for the SGSA;
 - g. Proposals for tendering for either Internal Audit services or for purchase of non-audit services from contractors who provide audit services; and
 - h. Anti-fraud policies, whistle-blowing processes, and arrangements for special investigations.
16. The Committee will also periodically review its own effectiveness and report the results of that review to the Board.

Information requirements

17. The Committee shall be provided with, as appropriate:
 - a. Proposals for the terms of reference for the internal audit;
 - b. The internal audit strategy and plan;
 - c. The Internal Audit Partner's annual opinion and report;
 - d. The draft accounts;



- e. The draft Governance Statement;
- f. A report on any changes to accounting policies; and
- g. The external audit management letter.

Rights

18. The Committee may procure specialist ad-hoc advice subject to budgets agreed by the Board.