

Audit Board Terms of Reference

Audit Board Purpose

As set out within Public Sector Internal Audit Standards (PSIAS), Internal Audit activity will operate in a framework that allows unrestricted access to Senior Management, the Audit Board and Chair of the Regulatory and Audit Committee and report functionally to the Audit Board to achieve the degree of independence and objectivity necessary to effectively discharge its responsibilities.

Audit Board Definition

The highest level of governing body charged with the responsibility to direct and oversee the activities and management of the Internal Audit function.

Members

Richard Ambrose, Director of Assurance (S151 Officer)
Sarah Ashmead, Director of Strategy and Policy (Monitoring Officer)
Maggie Gibb, Head of Business Assurance (& Chief Internal Auditor)

Meetings will take place every two months.

Responsibilities

Organisational independence is achieved by the Chief Internal Auditor reporting functionally to the Audit Board. The main responsibilities of the Audit Board are:

- Consulting on and approving the Internal Audit Charter.
- Endorsing the Internal Audit opinions and management action priority wordings.
- Consulting on and approving the Internal Audit Strategy and Annual Plan, including the audit budget and resource requirements.
- Consulting on and endorsing the Annual Internal Audit Report, which includes the Chief Internal Auditor's Opinion on the System of Internal Control.
- Approving any additional and / or external resources required to deliver the Annual Plan.
- Confirming on an annual basis the organisational independence of the Internal Audit function.
- Approving any changes to the agreed Annual Plan content and resource allocation.
- Approving any significant consulting assignments, not already included in the Audit Plan, prior to accepting the engagement.
- Receiving information on Internal Audit's work, purpose, authority, responsibility and performance, relative to its Annual Plan including progress reports on implementation of management actions.
- Receiving information where the Internal Audit function believes that the level of agreed resources will impact adversely on the provision of the Annual Internal Audit opinion.
- Receiving information on any significant risk exposures and control issues, including fraud risks, governance issues and other relevant matters.
- Receiving information where the Internal Audit function concludes that management have accepted a level of risk that may be unacceptable to the organisation.
- Receiving the outcome of the annual self-assessment against the PSIAS requirements (including the Definition of Internal Auditing, Code of Ethics and Standards). Endorsing any agreed non-conformance and overseeing the implementation of any improvements identified.
- Approving the approach and scope of any external assessments. Receiving the outcome of any external assessments, endorsing any agreed non-conformance and overseeing the implementation of any improvements identified.