

Agenda Item 4

Terms of Reference



Falkirk Integration Joint Board Audit Committee

4 December 2020

Terms of Reference

For Noting

1. Executive Summary

1.1 This report presents the current Terms of Reference for the Audit Committee.

2. Recommendations

The Audit Committee is asked to:

2.1 note the Terms of Reference included at Appendix 1.

3. Background

3.1 The Terms of Reference (ToR) were last reviewed by the Audit Committee on 6 March 2020, where 3 key changes were agreed as summarised below:

- In line with Internal Audit recommendations, the minutes of the quarterly Audit Committee meetings will now be routinely submitted to the IJB, together with a formal annual report.
- An Internal Audit Annual Assurance Report will be provided to the Audit Committee providing an overall opinion on the IJB's arrangements for risk management, governance and control;
- The Audit Committee will approve the annual accounts with no requirement for further approval from the IJB in line with custom and practice adopted in previous years.

3.2 For ease of identification, these changes are highlighted red in appendix 1.

3.3 The revised ToR were submitted to the IJB on 20 March 2020, however due to the impact of Covid-19, the March IJB meeting agenda was reduced to consider urgent business only. As a result, the changes were subsequently approved by the Chief Officer, with agreement from the Chair and Vice Chair of the IJB, under delegated powers on 30 Oct 2020.

4. Conclusions

4.1 The ToR of the Audit Committee have been updated to reflect the changes agreed at the meeting held on 6 March 2020 and these have been formally approved by

the IJB.

- 4.2 The ToR should be reviewed on an annual basis.

Resource Implications

There are no implications arising from this report.

Impact on IJB Outcomes and Priorities

An effective Audit Committee contributes to the achievement of the IJB's strategic outcomes and priorities.

Directions

A new Direction or amendment to an existing Direction is not required as a result of the recommendations of this report.

Legal & Risk Implications

The changes to the ToR support the Audit Committee to effectively discharged its duties as part of the IJB's risk management framework.

Consultation

The Internal Audit Manager and Chief Governance Officer were previously consulted on the proposed changes to the ToR.

Equalities Assessment

There are no equalities implications arising from the proposals in this report.

5. Report Author

Jillian Thomson, Chief Finance Officer

6. List of Background Papers

None

7. Appendices

Appendix 1: Falkirk Health and Social Care Integration Joint Board (IJB) Audit Committee Terms of Reference

Falkirk Health and Social Care Integration Joint Board (IJB) Audit Committee Terms of Reference

Constitution

The IJB shall appoint the Committee. The Committee should agree the professional advisors it requires on a regular and adhoc basis. The Committee is required to review its terms of reference on an annual basis.

The Committee will meet at least twice per annum. The Committee will be supported and serviced by the Chief Finance Officer. The minutes of the Audit Committee will be submitted to the IJB. The Audit Committee should report to the IJB formally on an annual basis.

Chairperson

The Chairperson of the Committee will be a voting member nominated by the IJB, noting that the Chairperson of the IJB would not normally be a member of the Audit Committee

Quorum

Half of the voting members will constitute a quorum.

Functions Referred

The following functions of the IJB shall stand referred to the Audit Committee –

1. Assess the adequacy and effectiveness of the IJB's internal controls and corporate governance arrangements and consider the annual governance reports and assurances to ensure that the highest standards of probity and public accountability are demonstrated;
2. Ensure existence of and compliance with an appropriate Risk Management Strategy. Review risk management arrangements and receive regular risk management updates and reports;
3. Review and approve the Internal Audit Annual Plan on behalf of the IJB, receive reports and oversee and review progress on actions taken on audit recommendations and report to the IJB on these as appropriate. An Internal Audit Annual Assurance Report will be provided to the Committee providing an overall opinion on the IJB's arrangements for risk management, governance and control.;
4. Consider the External Audit Annual Plan on behalf of the IJB, receive reports and consider matters arising from these and management actions

identified in response before submission to the IJB. The Audit Committee may also consider relevant national audit reports particularly those relating to Health and Social Care Integration from Audit Scotland

5. Approve the annual financial accounts. ~~before submission to and approval by the IJB.~~
6. The Committee is responsible for ensuring best value for those delegated functions.
7. The Committee is authorised by the IJB to investigate any activity within its terms of reference, and in so doing, may seek any information it requires.