

Pwyllgor Archwilio a Sicrwydd Risg Comisiwn y Cynulliad

Assembly Commission Audit & Risk Assurance Committee

Cynulliad
Cenedlaethol
Cymru
National
Assembly for
Wales



TERMS OF REFERENCE

The National Assembly for Wales Commission establishes the Assembly Commission Audit and Risk Assurance Committee in support of its responsibilities for issues of risk, control and governance. Its role is to review the comprehensiveness, reliability and integrity of assurances and whether they meet the Assembly Commission and the Accounting Officer's needs.

MEMBERSHIP

1. The members of the Assembly Commission Audit and Risk Assurance Committee are:
 - Suzy Davies, AM, Commissioner;
 - Two independent advisers: Eric Gregory (Chair) and Keith Baldwin; and
 - One independent committee member Hugh Widdis.

REPORTING

2. The Committee will report to the Commission via the Accounting Officer after each meeting. Meeting minutes are published on the Assembly website.
3. The Committee Chair, will attend a Commission meeting in July and present the Commission and the Accounting Officer with an Annual Report, timed to support finalisation of the accounts and the

Governance Statement. The Annual Report will summarise the Committee's conclusions from the work it has done during the year.

RESPONSIBILITIES

4. The Committee will advise the Commission and the Accounting Officer on:

- the assurance framework and strategic processes for risk, control and governance;
- the Governance Statement;
- the accounting policies, the accounts, and the annual report of the Commission, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the Auditor General;
- the planned activity and results of both internal and external audit;
- the adequacy of management response to issues identified by audit activity, including the external audit management letter from the Wales Audit Office;
- assurances relating to the management of risk and corporate governance for the Commission;
- proposals for tendering for Internal Audit services or for purchase of non-audit services from contractors who provide audit services; and
- anti-fraud policies, whistle-blowing processes, and arrangements for special investigations.

5. The Committee will periodically review its own effectiveness and report the results of that review to the Commission.

RIGHTS

6. Subject to budgets agreed by the Commission, the Committee may:

- co-opt additional members for a period not exceeding one year (with the approval of the AO) to provide specialist skills, knowledge and experience;
- procure specialist ad-hoc advice, at the expense of the organisation..

ACCESS

7. The Head of Internal Audit and the representative of the Wales Audit Office will have free and confidential access to the Chair of the Committee.

MEETINGS

8. The Committee will meet at least four times a year. The Chair may convene additional meetings, as necessary.
9. A minimum of two members of the Committee must be present for the meeting to be deemed quorate.
10. Committee meetings will normally be attended by the Accounting Officer, the Director of Finance, the Director of Resources, the Risk and Governance Manager, the Head of Internal Audit, and a representative of the Wales Audit Office.
11. The Committee may ask any other officials to attend to assist it with its discussions on any particular matter.
12. 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.
13. The Commission or the Accounting Officer may ask the Committee to convene further meetings to discuss particular issues on which they require the Committee's advice.

INFORMATION REQUIREMENTS

14. For each meeting the Audit Committee will be provided with:
- a report summarising any significant changes to the Commission's Risk Register;
 - a progress report from the Head of Internal Audit summarising:
 - work performed (and a comparison with work planned);
 - key issues emerging from Internal Audit work;
 - management's response to audit recommendations;
 - changes to the annual audit plan;
 - resourcing issues affecting the delivery of Internal Audit's plan;
 - a progress report from the Wales Audit Office representative summarising work done and emerging findings;
 - management assurance reports; and
 - reports on the management of major incidents, "near misses", and lessons learned.
15. As and when appropriate the Committee will be provided with:
- proposals for the terms of reference of internal audit / the internal audit charter;
 - the internal audit strategy;
 - the Head of Internal Audit's Annual Opinion and Report;
 - quality assurance reports on the internal audit function;
 - the Wales Audit Office annual Audit Strategy;
 - the Wales Audit Office ISA 260 report to those charged with governance;
 - the draft accounts of the Commission;
 - the draft Governance Statement;
 - a report on any changes to accounting policies;

- the Wales Audit Office management letter;
- a report on any proposals to tender for audit functions;
- a report on co-operation between internal and external audit;
- the Commission's Risk Management Strategy;
- details of key change programme/project portfolio management;
and
- departure summaries.