

Audit Committee 23 September 2010

Audit Committee terms of reference

Executive summary and recommendations

Introduction

The Committee agreed in 2006 that it should review its terms of reference on an annual basis, at each September meeting. This decision is in accordance with the good practice indicated in the National Audit Office's checklist for audit committees.

The Committee's terms of reference were last updated as part of the review of HPC's corporate governance arrangements in May 2009, when the Council agreed to the following terms of reference:

'The Audit Committee shall:-

1. advise the Council and the Registrar (as Accounting Officer) on the appointment of internal and external auditors;
2. approve internal and external audit programmes and fees;
3. review the external auditors' management letters and any other reports and to report on these to the Council as appropriate;
4. receive reports on the internal audit work plan and to consider appropriate action arising from them;
5. review the Council's annual report and accounts and to make recommendations to the Council and the Registrar (as Accounting Officer) as appropriate;
6. consider whether risk management processes are adequate for all risks to which the Council is exposed and to approve or, where the Committee considers that significant policy issues are involved, to recommend that the Council approve measures to eliminate or mitigate against them;
7. at the request of the Council, advise it on matters of corporate governance (but without prejudice to the Committee's power to make recommendations to the Council on corporate governance issues arising from the work of the auditors).'

Decision

The Committee is asked to discuss its terms of reference, agree any changes which are needed and recommend any changes to the Council for consideration.

Background information

Council, 20 May 2009, enclosure 16, Code of Corporate Governance.

Resource implications

None.

Financial implications

None.

Appendices

None.

Date of paper

9 July 2010.