

National Park Authority

Audit Committee Meeting

Agenda Item 12



Audit and Risk Committee Terms of Reference

Paper for decision

1. Introduction

A recent review by the Audit Committee highlighted the need to reconsider the Audit Committee Terms of Reference and to align them more closely with the model Terms of Reference within the Scottish Government Audit Committee Handbook, including the addition of the word 'risk' to the title.

2. Recommendation

Members are invited to agree the revised Terms of Reference for the Audit and Risk Committee.

3. Background

3.1 The current Terms of Reference for the Audit Committee were agreed in February 2016. No significant changes were proposed to the remit, but a number of entries were added to better reflect the role of the Audit Committee and to ensure consistency with the Delivery Group Terms of Reference agreed around the same time. The Audit Committee Terms of Reference were also benchmarked against Terms of Reference for similar committees in other public bodies and feedback was received from KPMG as part of their 2016 Governance audit.

3.2 In this further review and revision, the Terms of Reference take on board feedback from the Audit Committee at its recent review session and have been more closely aligned with the model Terms of Reference within the Scottish Government Audit Committee Handbook.

3.3 The main changes are:

- Paragraph 1.1 - Clarifying the status of the Committee which, although not statutory, that the Park Authority is obliged by the Scottish Public Finance Manual to establish.
- Paragraph 1.2 - Highlighting the desirability of having at least one member with relevant and recent experience.
- Paragraph 1.4 - Adding more detail on co-option.
- Paragraph 2.1 - Amending to show 'at least' four meetings a year rather than 'up to' four meetings a year.
- Paragraphs 2.2/2.3 - Clarifying the relationship between the Chair, Committee and auditors.

National Park Authority

Audit Committee Meeting

Agenda Item 12

Audit and Risk Committee Terms of Reference

- Paragraph 3.2 - Clarifying the reporting requirements to the Board.
- Paragraph 4.2 - Adding a new section to the remit on the Committee's role in the accounts process.
- Paragraph 4.3/4.4 - Clarifying the role of the Committee in the audit process.
- Paragraph 4.6.2 - Clarifying the role of the Committee in the review of corporate risks.
- Paragraph 5 - Adding a new section on the information requirements for the Committee.

Appendix 1 – draft revised Audit Committee Terms of Reference

Author: Amanda Aikman, Governance & Legal Manager
Executive Sponsor: Jaki Carnegie, Director of Corporate Services