



The professional association for  
social work and social workers

## **RISK & AUDIT COMMITTEE**

### **TERMS OF REFERENCE**

Name	Risk & Audit Committee.
Quorum	3 members, including the Chair.
Chairing	<p>Council will appoint the Chair. The Chair will be a current BASW member.</p> <p>Appointed for an initial term of office of 2 years, this can be renewed for a further 2 year term of office, the maximum term of office will be 4 years before a break from office is required.</p> <p>In the absence of the Chair, a Chair for the meeting shall be selected by the Committee members present.</p>
Membership	<p>A maximum of 6 Committee members appointed from the BASW membership, including the Chair.</p> <p>The Committee as a whole will have competence relevant to the social work sector and should reflect membership from across all four nations. It is further anticipated that at least one member should have recent and relevant financial experience.</p> <p>Committee members are appointed for an initial term of office of 2 years, this may be renewed for a further 2 year term, the maximum term of office will be 4 years before a break from office is required.</p> <p>A panel comprising the Committee Chair, the Honorary Officers and the Chief Executive will consider all Committee applications to ensure that candidates have the relevant skills, knowledge and experience required.</p> <p>In the event of there being more suitable candidates than vacancies the endorsed candidates will go forward for election by the whole membership.</p> <p>Council will determine the process for filling any casual</p>

	<p>vacancies.</p> <p>Only members of the Committee have the right to attend Committee meetings. However, members of the Executive will be invited to attend meetings of the Committee on a regular basis and other individuals, such as the external auditors, may be invited to attend all or part of any meeting as and when appropriate.</p>
Serviced By	<p>The Chief Executive will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.</p> <p>Secretariat support will be provided through the Chief Executive office.</p>
Meeting frequency/Agenda & Papers	<p>At least 4 and no more than 6 ordinary scheduled meetings per year. Additional meetings may be called by the Chair for urgent and important matters.</p> <p>The Chair will agree the agenda for meetings with the Chief Executive 2 weeks prior to the agreed date of the next meeting.</p> <p>Unless otherwise agreed, notice of meetings outside of the agreed schedule, confirming the venue/format, time and date will be provided to Committee members no later than 5 working days before the meeting.</p> <p>Wherever possible papers relating to the upcoming meeting will be distributed to Committee members at least 5 days in advance of the meeting.</p> <p>Minutes for Committee meetings will be taken, these will include recording any decisions made and recording who has attended the meeting, noting any apologies received and any conflicts of interest declared.</p>
Purpose	<ol style="list-style-type: none"> <li>1. To advise Council on the Associations overall risk appetite, tolerance and strategy. The Committee will seek assurance on the risks the Association identifies as those to which the Association may be exposed.</li> <li>2. The Committee will advise Council on risk exposures of the Association, including risk to the Association's business plan and on the risk aspects of proposed changes to strategy and strategic transactions.</li> </ol>

	<ol style="list-style-type: none"> <li>3. The Committee will advise Council on the adequacy and effectiveness of the Association's processes and procedures to manage risk and the internal control framework, including the design, implementation and effectiveness of those systems.</li> <li>4. The Committee will review and approve the role and mandate of internal audit, monitor and review the effectiveness of its work, and annually approve the internal audit calendar ensuring it is appropriate for the current needs of the Association.</li> <li>5. The Committee will develop and oversee the selection procedure for the appointment of the audit firm in accordance with applicable code and regulatory requirements, ensuring that all tendering firms have access to all necessary information and individuals during the tendering process. If the external auditor resigns, the Committee will investigate the issues leading to this and decide whether any action is required.</li> <li>6. The Committee will assess annually the external auditor's independence and objectivity taking into account relevant law, regulation, the Ethical Standard and other professional requirements and the group's relationship with the auditor as a whole, including any threats to the auditor's independence and the safeguards applied to mitigate those threats including the provision of any non-audit services.</li> </ol>
Delegated Authority	<ol style="list-style-type: none"> <li>1. Provide assurance that all aspects of financial governance and internal control is managed effectively.</li> <li>2. Provide assurance that there is a comprehensive risk management system in place.</li> <li>3. Advise Council on the Association's overall risk appetite, tolerance and strategy, and the principal and emerging risks the Association is willing to take in order to achieve its long-term strategic objectives.</li> <li>4. Advise Council on the likelihood and the impact of principal risks materialising, and the management and mitigation of principal risks to reduce the likelihood of their incidence or their impact.</li> <li>5. Review the Association's internal financial controls systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems.</li> <li>6. Review and approve the statements to be included in the annual report concerning internal control, risk management, including the assessment of principal</li> </ol>

	<p>risks and emerging risks, and the viability statement.</p> <ol style="list-style-type: none"> <li>7. Provide assurance that Staff Governance risks are adequately controlled by reviewing the adequacy and security of the Association's arrangements for its employees, contractors and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.</li> <li>8. Provide assurance that Information Governance is managed effectively.</li> <li>9. Oversee all internal and external audit arrangements.</li> <li>10. Approve Audit Plans.</li> <li>11. Review and approve the annual internal audit plan to ensure it is aligned to the key risks of the Association and receive regular reports on work carried out.</li> <li>12. Monitor and assess the role and effectiveness of the internal audit function in the overall context of the Association's risk management system and the work of compliance, finance and the external auditor.</li> <li>13. Consider and make recommendations to Council, to be put to members for approval at the AGM, in relation to the appointment, re-appointment and removal of the Association's external auditor.</li> <li>14. Oversee the relationship with the external auditor.</li> <li>15. Discuss with the external auditor the factors that could affect audit quality and review and approve the annual audit plan, ensuring it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team.</li> <li>16. Review the findings of the audit with the external auditor.</li> <li>17. Approve minor changes to the Scheme of Delegation which do not change the underlying intention.</li> <li>18. Review the Associations governance policies and procedure guides.</li> <li>19. Review the Associations policy matrix.</li> </ol>
Reporting to	BASW Council