



Audit, Risk & Assurance Committee - Terms of Reference	
Purpose	<p>The Audit, Risk & Assurance Committee is a key component of the WMCA's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. The purpose of the committee is to provide independent assurance to the WMCA of the adequacy of the risk management framework and the internal control environment.</p> <p>It provides independent review of the governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.</p>
Accountable to	<p>To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.</p> <p>To report to WMCA Board on a regular basis on the committee's performance in relation to the terms of reference, and the effectiveness of the committee in meeting its purpose.</p>
Membership	<p>Constituent Authorities x7 Non-Constituent Authorities x4 LEP representative x1 Independent Member x1</p>
Chair	<p>The committee is to be chaired by the Independent member.</p>
Voting	<p>All members of the Audit, Risk & Assurance Committee will have one vote, except the Chair who is not eligible to vote and nor will exercise a casting vote.</p>

Quorum	The quorum shall be two-thirds of its membership (nine members).
Frequency	The Audit, Risk & Assurance Committee will meet quarterly, or more frequently if required to deliver the work.
Servicing	Meetings of the committee will be serviced by the WMCA's Governance Services Team.

<p>Functions</p>	<p>Governance, Risk and Control</p> <ul style="list-style-type: none"> • To review the WMCA's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances. • To review the annual governance statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the WMCA's framework of governance, risk management and control. • To consider the WMCA's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements. • To consider the WMCA's framework of assurance and ensure that it adequately addresses the risks and priorities of the WMCA. • To monitor the effective development and operation of risk management in the WMCA. • To monitor progress in addressing risk-related issues reported to the committee. • To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions. • To review the assessment of fraud risks and potential harm to the WMCA from fraud and corruption. • To monitor the counter-fraud strategy, actions and resources. • To receive additional assurance reports from the Corporate Assurance team. <p>Internal Audit</p> <ul style="list-style-type: none"> • To approve the internal audit charter. • To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations. • To approve the internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources. • To approve significant interim changes to the internal audit plan and resource requirements. • To make appropriate enquiries of both management and the Head of Internal Audit to determine if there are any inappropriate scope or resource limitations.
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	<ul style="list-style-type: none"> • To consider reports from the Head of Internal Audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include: <ul style="list-style-type: none"> • Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work; • Regular reports on the results of the quality assurance and improvement programme; • Reports on instances where the internal audit function does not conform to the Public Sector Internal Audit Standards and Local Government Application Note, considering whether the non-conformance is significant enough that it must be included in the annual governance statement. • To consider the head of internal audit's annual report: <ul style="list-style-type: none"> • The statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of the quality assurance and improvement programme that supports the statement - these will indicate the reliability of the conclusions of internal audit; • The opinion on the overall adequacy and effectiveness of the WMCA's framework of governance, risk management and control together with the summary of the work supporting the opinion - these will assist the committee in reviewing the annual governance statement. • To consider summaries of specific internal audit reports as requested.
Review	Annual in June.