

Audit Sub-Committee Terms of Reference

The Sub-Committee will provide support and guidance to the Board of Directors and oversee the organisation in the area of Audit issues.

1 Key Responsibilities

The Sub-Committee will report and recommend in respect of the following:

Approval required by the Board following review by Sub-Committee

- Risk Management policies

Matters delegated to the Sub-Committee for decision

- Insurance arrangements
- Internal Audit plan and Audit reports
- Health and Safety

The Sub-Committee will contribute to the Business Plan in relation to Audit issues.

The Sub-Committee will consider other matters as directed from time to time by the Board. Any such matters will specify delegations.

The Sub-Committee has a duty to identify potential inequalities in the way Northwards employs staff and delivers services; and to play a key role in promoting best practice in Equality & Diversity.

2 Governance

Membership

The Sub-Committee will consist of up to six Board Members with a cross over of at least two from each other Sub-Committee. Members will be appointed by the Board following expression of preference and will serve for a term of one year until the first Board meeting following the AGM.

Board Directors and Members of the Public can be co-opted onto the Sub-Committee as and when required.

No more than two co-optees are allowed on a Sub-Committee at any time. Formal approval of the Board is required before co-opting members.

Chair

The Sub-Committee will appoint a Chair from amongst the current members.

Authority

The Sub-Committee is authorised by the Board to seek information it requires to fulfill its terms of reference.

The Sub-Committee has delegated decision making authority on the items referred to in the terms of reference. Any decisions made shall be reported through to the Board via the minutes. Delegated functions to Sub-Committees are exercised in accordance with Standing Orders and Financial Regulations (including financial authority limits).

In the event of any issues arising between meetings where action is required, and waiting for the next Sub-Committee meeting would result in unacceptable delay, the Standing Order in respect of the making of urgent decisions shall be used.

Frequency

The Sub-Committee shall meet at a time and place agreed with Members. There shall be at least three meetings a year.

Quorum

A quorum shall be no less than three Members. Two of the members present should be from different groups (Independent/Council/Tenant). If a meeting is inquorate at the start, the Members present will wait 15 minutes before taking a decision on whether to disband the meeting or proceed as an inquorate body. If the Chair is not present, Members present will appoint a temporary Chair for that meeting.

If the meeting is inquorate the Members present may decide to disband and reconvene the meeting the following week or as soon as possible thereafter, at a convenient date, time and venue.

If the Members present decide to proceed as an inquorate body, they will not be permitted to make decisions on items presented. However, they may advise or give guidance on those items. Their comments will be forwarded to the next meeting of the Board or Sub-Committee as appropriate for decision.

The Chair or Vice Chair of the Board are de-facto members of all Sub-Committees and will be considered members of a group should they be in attendance.

Voting Procedure

This will be the same as the Board:

- a. Any member may make a proposal. In order for it to be voted on it must be seconded by a second member.

- b. Before voting any member may make a proposal for an amendment which must be seconded.
- c. The amendment will be voted on first. If the amendment is passed then the original proposal is altered and it is this revised proposal that is then voted on.
- d. If the vote on the amendment is lost then the discussion and subsequent vote will be back on the original proposal.
- e. No member shall exercise more than one vote.
- f. In the event of an equal vote, the Chair shall have the casting vote.

Reporting Practice

The Sub-Committee will submit minutes of its meetings and any reports it considers necessary to the Board.

Member Development and Training

Skills audits and self-assessments will be carried out with each Sub-Committee member to devise and develop an individual training plan to assist members with their Sub-Committee duties.

Conduct

Sub-Committee Members will conduct themselves at all times in accordance with the Company's Code of Conduct for Board Members.