

- The Committee will consist of three Commissioners (including the Chair) and one independent member.
- The Committee will meet quarterly over the course of a financial year, with meetings in April, July, October and January. The Committee will also convene a separate meeting to consider year-end accounts, normally in June of each year. The Chair of the Committee may convene additional meetings as deemed necessary.
- Two members shall be present for a meeting of the Committee to be deemed quorate. In the event of a disagreement when the Committee is at its minimum level, the Chair will have an overriding vote.
- Where the chair is not in attendance at a meeting, the members present shall elect one of their number, who they consider to be appropriately experienced, to chair the meeting. In the event of a pre-planned absence, the chair will nominate a suitable replacement in advance of the meeting.
- The Committee may require JAC staff to attend on matters of a particular nature.
- The Committee may ask any or all of those who normally attend, but who are not members, to withdraw to facilitate open and frank discussion of particular matters.
- The Accounting Officer or Commission (Board) may require the Committee to convene other meetings to discuss specific issues on which advice of the Committee is required.

**Access:**

Senior representatives of both internal and external audit will have free and confidential access to the Accounting Officer and Chair of the Committee.

**Reporting:**

The Committee will formally report back to the Commission (Board) after each meeting and will provide an annual report on the discharge of its roles and responsibilities. The Committee will also report on periodic assessment of its own effectiveness.

**Responsibilities:**

The Committee will advise the Accounting Officer and Commission (Board) on:

- the strategic process for risk, control and governance and the Governance Statement.
- the accounting policies, the accounts, and the annual report of the JAC, including the process to review the accounts prior to submission for audit, levels of errors identified, and management's Letter of Representation to the National Audit Office (NAO).
- the planned activity and results of both internal and external audit.
- adequacy of management's response to issues identified by audit activity, including NAO's Audit Completion Report (including management letter).
- assurances relating to the corporate governance and risk management requirements for the JAC.
- recommendations regarding risk and governance issues.

- Counter fraud Strategy, Risk Management Policy and Framework and Whistleblowing policy (all of which the Committee will review on an annual basis).

### **Information Requirements:**

For each meeting the Committee will be provided with:

- an updated JAC Corporate Risk Register
- a progress report from Internal Audit, summarising:
  - work performed (and a comparison with work planned) and changes to planned activity;
  - final audit reports including management response to audit recommendations;
  - action points arising from Internal Audit work;
  - any resourcing issues affecting the delivery of Internal Audit objectives;
- a report from External Audit (NAO), which may be a verbal update, summarising emerging issues for management consideration and, where applicable, audit work done and emerging findings;
- a report on any other external reviews commissioned in the period;
- a report on security incidents from the previous quarter; and
- a verbal update on any suspected or detected fraud or theft, and details of any Whistleblowing.

The Committee will also be provided with a copy of the most recent Management Information Pack for information only, which contains quarterly progress against Business Plan objectives;

### **As and when appropriate the Committee will also be provided with:**

- proposals for the Terms of Reference of Internal Audit;
- the Head of Internal Audit's Annual Opinion and Report;
- periodic external quality Assurance reports commissioned by the MoJ on the Internal Audit function;
- the draft accounts of the organisation;
- the draft Governance Statement;
- a report on any proposed changes to accounting policies;
- a Forward Planning Calendar with a summary of standing items to be discussed at the quarterly meetings.

### **Relationship with the MoJ Corporate Audit Committee**

The Chair of the Committee shall maintain effective communication arrangements and escalation processes as appropriate with the MoJ Corporate Audit Committee on governance, control and risk management arrangements. This may, from time to time, include attending meetings of the MoJ Corporate Audit Committee, to discuss issues of mutual interest.

The JAC Audit and Risk Committee shall keep the MoJ Corporate Audit Committee apprised of any progress made against audit recommendations made by the NAO in their Management Letters.