

## FINANCE AND GOVERNANCE SUB-COMMITTEE

**Summary:** To report to the Board on the activity of the Finance and Governance Sub-Committee and to seek the Board's adoption of (1) the Terms of Reference and (2) the Internal Audit Plan.

**Recommendation:** That the Board notes the report and activity and approves the Terms of Reference and Internal Audit Plan.

**Report by:** Ed Macalister-Smith – Board Member and Chair of the Sub-Committee  
Diane Bassett – Head of Finance (maternity cover)

## MEMBERS OF THE SUB-COMMITTEE

### Board Members:

- Ed Macalister-Smith – Chair
- Brendan McCarthy
- Paul Crossley

### Officers:

- Diane Bassett – Head of Finance (maternity cover)
- Andy Parsons – Chief Executive

## BACKGROUND

1. The Board agreed to form this Sub-Committee at the March 2021 meeting and this was confirmed at the June 2021 meeting and AGM.
2. The Sub-Committee will ensure the Board is kept fully informed on matters relating to finance, governance, audit and risk.
3. With Ann Wyatt (Head of Finance) starting maternity leave in late August, the date of the first meeting was slightly delayed. However, Diane Bassett and Ed Macalister-Smith are now leading the activity.

## FIRST MEETING – 10 September 2021

4. The agenda for the first meeting covered the following topics:
  - Confirmation of Chair
    - Unanimously agreed for Ed Macalister-Smith to be the Chair.
  - Terms of Reference
    - Revisions were agreed ahead of seeking Board adoption.
  - Recruiting an independent member
    - Due to the lack of financial expertise/ professional qualifications on the Board it was agreed that the group should seek to appoint an independent member who is a chartered accountant with high level financial experience.
  - Internal Audit programme
    - Both the 2021/22 timetable and the 2018-23 strategic plan were agreed and recommended for Board adoption.
  - Q1 Management Accounts
    - Reviewed the accounts as at 30 June 2021, no significant concerns.

- Reforecasting
  - Agreed that reforecasting should wait until after the Q2 management accounts are finalised.
- Risk Management
  - Agreed that the format for the risk management framework should be reviewed to help provide more clarity, especially with regard to corporate v. landscape risks.
- Future meeting dates
  - Agreed that meetings will take place quarterly, to coincide with the production of the quarterly management accounts. The date of the next meeting is 8 November 2021.

### **BUDGET ASSUMPTIONS 2022/23**

5. The final budgets will be prepared and presented for adoption at the Board meeting in February 2022.
6. Supporting paper 9d seeks to highlight the key assumptions and priorities that will be considered as the budgets are prepared.
7. Comments and recommendations that are widely supported at this meeting will be taken into account when finalising budgets.

### **DECISIONS REQUIRED FROM THE BOARD**

8. The Board is asked to adopt the Sub-Committee's Terms of Reference (supporting paper 9a) and, in light of that, ask the Executive Committee to review and update their own Terms of Reference
9. The Board is asked to adopt the Internal Audit Assignment 2021/22 (supporting paper 9c(i))
10. The Board is asked to adopt the amendments to the Internal Audit Strategic Plan 2018-23 (supporting paper 9c(ii))

### **SUPPORTING PAPERS**

- 9a – Finance and Governance Sub-Committee - Terms of Reference
- 9b – Minutes of the Finance and Governance Sub-Committee, from the meeting on 10 September 2021
- 9c(i) – Internal Audit Assignments 2021/22
- 9c(ii) – Internal Audit Strategic Plan 2018-23
- 9d – Budget Assumptions 2022/23

OCTOBER 2021