

Young Scot Board Governance, Code of Conduct & Ethics Policy



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Introduction

- (A) This document is split into two sections:
 - (i) Section A: Governance Policy; and
 - (ii) Section B: Code of Conduct and Ethics.
- (B) The Governance Policy within this document sets out the principles and practices that the Board of Directors will follow in carrying out its duties and responsibilities. It also describes the functions and composition of the Board of Directors, including its committees and operations. In this policy, Young Scot Enterprise is referred to as "Young Scot".
- (C) Young Scot is committed to the highest standards of governance. Young Scot recognises that good governance helps deliver strategy and charitable objects.
- (D) This document also contains an overview of Young Scot's Code of Conduct and Ethics for Young Scot's Directors. The Code is not intended to cover every applicable law or provide answers to all questions that might arise. Each Director must rely on their good sense of what is proper. This includes the ability and willingness to seek advice and assistance on what is the appropriate course of conduct.
- (E) Responsibility for this document resides with the Chief Executive and the Chair. It will be reviewed by the Chief Executive and the Chair no less frequently than annually. This document will be refreshed and reviewed if there are any changes in relevant legislation and to ensure that this document remains relevant and compatible with changes in, for example, the corporate governance environment.
- (F) A Director must avoid a situation in which they have, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of Young Scot.
- (G) A Director must declare the nature and extent of any personal interest in a proposed transaction with Young Scot to the other Directors before Young Scot enters into the transaction.

1. Function of the Board of Directors

1.1. The Board

Main Principle

Young Scot should be headed by an effective Board, which is collectively responsible for the success of Young Scot and which should lead Young Scot.

Supporting Principles

Role of the Board

The Board is collectively responsible for the success of Young Scot. Its key responsibilities are to:

- establish clear purpose, vision and values;
- set appropriate strategy and structure;
- delegate day-to-day authority to manage the strategy and business to management, monitor management's performance and hold them to account;
- establish proper risk management and internal control frameworks;
- provide leadership; and
- ensure that Young Scot operates in a way that is consistent with its charitable purposes.

Specific responsibilities reserved for the Board include:

- setting the high level strategy of Young Scot and, within that framework, approving an annual budget;
- the identification and management of the principal business risks; with oversight of Young Scot's operations and control structures to maintain their integrity and effectiveness;
- reviewing regularly operational performance and updated forecasts for the current year;
- approving the main operating policies and procedures for the control of finance activities and receiving regular reports on these activities;
- regularly reviewing and updating where appropriate the Company's Memorandum and Articles of Association;
- retaining primary responsibility for the approval of major capital expenditure, major contracts and financing arrangements;
- approving appointments to the Board and the appointment of the Company Secretary;
- reviewing at least biannually, management development and succession plans for Young Scot's senior management; and
- compliance with legislation.

All Directors' must take decisions objectively in the interests of Young Scot and in pursuance of its charitable objects.

As part of their role as members of the Board, Directors should constructively challenge and help develop proposals on strategy. Directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. They should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.

Supplementary Provisions

- 1.1.1. The Board should meet sufficiently regularly to discharge its duties effectively.
- 1.1.2. The Board should hold a two-day annual conference to discuss current performance and longer term planning.
- 1.1.3. The Board should keep a record of the number of meetings of the Board and committees and individual attendance by directors at each.
- 1.1.4. Where Directors have concerns which cannot be resolved about the running of Young Scot or a proposed action, they should ensure that their concerns are recorded in the Board minutes. On resignation, a Director should provide a written statement to the Chair, for circulation to the Board, if they have any such concerns.

1.2. Chair, Chief Executive and Company Secretary

Main Principle

There should be a clear division of responsibilities at the head of Young Scot between the running of the Board and the executive responsibility for the running of Young Scot's day to day operations. No one individual should have unfettered powers of decision.

Supporting Principles

(A) Governance Role of the Chair

The Chair is responsible for leadership of the Board and ensuring its effectiveness. Responsibilities include:

- setting the Board agenda, ensuring the Directors receive accurate, timely and clear information and of a quality to enable them to discharge their duties;
- ensuring that sufficient time is allowed for complex or contentious issues to be discussed, and to facilitate the effective contribution of Directors in particular and ensure constructive relations between Directors and senior management;
- taking the lead in addressing the development and training needs of individual Directors to ensure that they have the skills and knowledge to fulfil their role on the Board and any Board committee;
- ensuring the performance of the Board as a whole and its committees is evaluated annually;
- evaluating annually the performance of each Board member in his/her role as a Director;
- providing input to the remuneration committee in relation to the policy for the remuneration of the Chief Executive;
- holding meetings with the directors without management present;
- being available to the Chief Executive to advise on matters relating to strategy and operations; and
- in conjunction with the Chief Executive, representing Young Scot to government, shareholders, financial institutions, stakeholders and the community.

(B) Governance Role of the Chief Executive

The Chief Executive is responsible for running the day to day strategic development, delivery and operations of Young Scot. The Chief Executive acts with the delegated authority of the Board. Responsibilities include:

• leading Young Scot on a day to day basis;

- following board and stakeholder engagement, developing and presenting to the Board, Young Scot's strategy;
- recommending to the Board an annual budget;
- reviewing on a monthly basis the operational performance and strategic direction of Young Scot;
- managing the Company's risk management programme including the environmental, health and safety performance of Young Scot;
- approving major contracts in accordance with authority levels delegated by the Board;
- approving annually Young Scot's management development and succession plans for senior management;
- in conjunction with the Chair, representing Young Scot to government, shareholders, financial institutions, stakeholders and the community.

(C) Governance role of the Company Secretary

The Company Secretary has the responsibility for the sound governance of Young Scot and for guiding the Board in the execution of its tasks. Responsibilities include:

- ensuring the smooth running of the Board and the Board committees by helping set agendas, preparing and presenting papers to the Board and Board committees;
- ensuring good information flows within the Board and its committees and between senior management and Directors,
- advising on Board procedures and ensuring that the Board follows them;
- acting as a primary point of contact and source of advice and guidance for, in particular, Directors as regards Young Scot; Governance and Conduct.
- keeping under close review, all legislative, regulatory and governance developments that might affect Young Scot's operations and ensuring that the Board is briefed on these;
- facilitating the induction of new Directors into Young Scot and their roles and responsibilities and assisting in the ongoing training and development of Directors.

Supplementary Provisions

- 1.2.1. The roles of Chair and Chief Executive should not be exercised by the same individual.
- 1.2.2. The Chief Executive should not go on to be Chair of Young Scot, within two years of being Chief Executive.

1.3. Information and Board Balance and Independence

Main Principle

The Board should be sufficiently diverse so that no individual, organisation or small group of individuals can dominate or inappropriately influence the Board's decision taking or the processes associated therewith.

Supporting Principles

- The Board should not be so large as to be unwieldy. The Board should be of sufficient size that the balance of skills and experience is appropriate for the requirements of Young Scot and should be guided by the following principles:
 - (a) the Board should generally have no fewer than 2 Directors nor more than 20 Directors;
 - (b) the number of Directors at any time will depend upon several factors including (i) resignations, retirements, and the availability of appropriate, qualified candidates; (ii) ensuring the Board has a sufficient number of Directors to fulfil committee assignments and to provide the appropriate mix of continuity, experience and skills and diversity for the Board and its committees to perform their responsibilities;
- to ensure that power and information are not concentrated in one or two individuals;
- The value of ensuring that committee membership is refreshed and that undue reliance is not placed on particular individuals should be taken into account in deciding chairmanship and membership of committees;
- No one other than the committee Chair and members is entitled to be present at a meeting of the Audit & Finance or Remuneration Committees, but others may attend at the invitation of the committee.
- The Board will normally include directors (who should also be members) who are connected to YouthLink Scotland, Local Authority Youth Work Managers Network and the Scottish Youth Parliament, if in the latter case, the person is an elected representative then the Letter of Appointment under paragraph 1.4.1 will set the term of office notwithstanding any provision for a term of office in the Company's Articles of Association.

1.4. Appointments to the Board

Main Principle

There should be a formal, rigorous and transparent procedure for the appointment of new Directors to the Board.

Supporting Principles

- Appointments to the Board should be made on merit and against objective criteria. Care should be taken to ensure that appointees have enough time available to devote to the job.
- The Board should satisfy itself that plans are in place for orderly succession for appointments to the Board and to senior management, so as to maintain an appropriate balance of skills and experience within Young Scot and on the Board.

Supplementary Provision

1.4.1. The Board should establish a Nomination Committee of at least three independent Directors. In addition, the Chair will chair the committee. The Nomination Committee

should make available its terms of reference, explaining its role and the authority delegated to it by the Board. (See appendix A for full Nomination Committee Remit.

1.4.2. The letter of appointment of Directors should set out the expected time commitment. Directors should undertake that they will have sufficient time to meet what is expected of them. Their other significant commitments should be disclosed to the Board before appointment, with a broad indication of the time involved and the Board should be informed of subsequent changes.

1.5. Professional Development

Main Principle

The Board should be supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties. All Directors should receive induction on joining the Board and should regularly update and refresh their skills and knowledge.

Supporting Principle

 Management has an obligation to provide relevant information but Directors should seek clarification or amplification where necessary. Information and data that are important to the Board's understanding of the business and any agenda items will be distributed to the Board before its meets, with sufficient time to allow Directors to give such materials appropriate attention. If the subject matter is too sensitive, the information will be discussed at the meeting.

1.6. Performance Evaluation

Main Principle

The Board should undertake annual evaluation of compliance with the provisions of this document, its own performance and that of its committees and individual Directors.

Supporting Principle

 As part of the Board Residential an overall evaluation of the effectiveness of the Board should be carried out. The Chair should act on the results of the performance evaluation by recognising the strengths and addressing the weaknesses of the Board and, where appropriate, proposing new members be appointed to the Board or look to carry out additional training with existing Board Members.

2. Remuneration

2.1. Procedure

Main Principle

There should be a formal and transparent procedure for developing policy on remuneration and for fixing the remuneration package of the Chief Executive. No Director should be involved in deciding his or her own remuneration.

Supporting Principle

• Directors shall not be remunerated for performing the office of Director but shall be entitled to reasonable out of pocket expenses.

Supplementary Provisions

1.1.1. The Board should establish a Remuneration Committee of at least two, independent Directors. In addition, the Chair may also be a member of, but not chair, the committee. The Remuneration Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board. (See appendix B for full Remuneration Committee Remit.

3. Accountability and Audit

3.1 Financial Reporting

Main Principle

The Board should present a balanced and understandable assessment of Young Scot's position and prospects.

Supporting Principle

• The Board's responsibility to present a balanced and understandable assessment extends to public reports and reports to regulators (particularly the Office of the Scottish Charity Regulator) as well as to information required to be presented by statutory requirements.

Supplementary Provisions

3.1.1. The Directors should explain in the accounts their responsibility for preparing the accounts and there should be a statement by the auditors about their reporting responsibilities.

3.2 Internal Control

Main Principle

The Board should maintain a sound system of internal control and risk management to safeguard Young Scot's assets.

Supporting Principle

 The Board should, at least annually, conduct a review of the effectiveness of Young Scot's system of internal controls and risk management. The review should cover all material controls, including financial, operational and compliance controls and risk management systems.

3.3. Audit & Finance Committee and Auditors

Main Principle

The Board should establish formal and transparent arrangements for considering how they should apply the financial reporting and internal control principles and for maintaining an appropriate relationship with Young Scot's auditors.

Supporting Principles

- The Board should establish an Audit & Finance Committee of at least two members, who should both be Directors. The Board should satisfy itself that at least one member of the Audit & Finance Committee has recent and relevant financial experience.
- The main role and responsibilities of the Audit & Finance Committee should be set out in written terms of reference (see Appendix C for full Audit & Finance Committee Remit.

Section B: Code of Conduct and Ethics

Main Principle

The success of Young Scot depends upon the reputation of Young Scot and its Directors, officers and employees for integrity and principled conduct. It is the obligation of each Director to become familiar with and behave in accordance with the following.

No code or policy can anticipate every situation that may arise. Directors are encouraged to bring questions about particular circumstances that may arise to the attention of the Chair.

Supporting Principles

Each Director:

- has a duty to take decisions and act in Young Scot's interest. A Director should not act in order to gain financial or other material benefit for him or herself, family or friends;
- must not place him or herself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence directors in the performance of their duties;
- shall exercise independent judgement;
- shall exercise the care and diligence that is reasonable to expect of a person managing the affairs of another person;
- has a duty to consider issues on their merits, taking into account the views of others; and must ensure that Young Scot uses its resources prudently and in accordance with law;
- has a duty to be as open as possible about their decisions and actions;
- has a duty to act honestly;
- has a duty to foster a culture of accountability; and
- has a duty to ensure that Young Scot operates in a manner that is consistent with its objects and purposes.

Supplementary Provisions

Expenses

• Each Director must comply with any rules of Young Scot regarding allowances and expenses (as amended from time to time).

Gifts and Hospitality

• Each Director must comply with the Young Scot's Gifts and Hospitality Policy (as amended from time to time).

 A Director must not accept any benefit connected with his role as a Director from a third party unless it cannot be regarded as likely to give rise to a conflict of interest.

Confidentiality

• Each Director must comply with the terms of the Young Scot's Confidentiality Policy (as amended from time to time).

Company assets

• Directors should oversee the protection of Young Scot's assets and their efficient use. Young Scot's assets should be used only for the purposes set out in its Memorandum.

Fair Dealing

- Each Director should endeavour to deal fairly with the stakeholders and employees of the Company.
- No Director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or other sharp practices.

Compliance with laws, rules and regulations

• Directors shall comply with applicable laws, rules and regulations in their service to Young Scot and ensure that Young Scot complies with legislation to which it is subject.

Conflicts of Interest

- A Director must avoid a situation in which they have, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of Young Scot.
- A Director must declare the nature and extent of any personal interest in a proposed transaction with Young Scot to the other Directors before Young Scot enters into a transaction.
- A Director shall not count towards the quorum nor vote in respect of any contract or matter in which they are interested or any matter arising from that, and if they do so vote his or her vote shall not be counted.

Report

• Each Director has a duty to report any suspected breaches of this Code to the Chair.

Appendix A

The Nomination Committee

3. Role and Remit

- 3.4. The role and remit of the Committee is as follows:
 - 3.4.1. To consider the appointment of Directors to the Board and to ensure plans are in place for appointments to the Board, so as to maintain an appropriate balance of skills and experience on the Board.
 - 3.4.1.1. appointments to the Board should be made on merit and against an objective set of criteria.
 - 3.4.1.2. care should be taken to ensure that appointees have enough time available to devote to the job.
 - 3.4.1.3. length of term of office should be clearly explained to potential candidates
 - 3.4.1.4. other significant commitments should be disclosed to the Board before appointment, with a broad indication of the time involved and the Board should be informed of subsequent changes.
 - 3.4.1.5. any declarations or potential conflicts of interest should be declared before the appointment
- 3.5. The members of the Committee shall be:
 - 3.5.1. the Chair for the time being of the Board;
 - 3.5.2. three other members of the Board.
- 3.6. The Chief Executive will be an adviser to the Committee.
- 3.7. The Board may appoint co-opted members to the Committee.
- 3.8. Co-opted members and advisers to the Committee will be entitled to attend and speak at meetings of the Committee, but will not be entitled to vote.
- 3.9. A member of the Committee shall not be entitled to be present at a meeting where the remuneration of that member is being determined or discussed.

4. Chair

- 4.1. The Chair of the Board may act as Chair of the Committee.
- 4.2. Subject to 2.1, the Board shall appoint and remove the Chair of the Committee.
- 5. Frequency of Meetings

5.1. The Committee shall meet at least once a year to determine the appointments to the Board prior to the Annual General Meeting.

6. Quorum

6.1. A quorum shall consist of two members of the Committee.

Appendix B

The Remuneration Committee

1.5. Role and Remit

- 6.2. The role and remit of the Committee is as follows:
 - 6.2.1. to consider and determine the remuneration package (including the annual reviews of such) of the Chief Executive as the Board considers appropriate, taking into account:
 - 6.2.1.1. that senior management should be fairly rewarded for their individual performance and contribution to overall performance;
 - 6.2.1.2. where, in terms of senior management remuneration, the Company stands in relation to other comparable institutions in the sector;
 - 6.2.1.3. the relationship between the remuneration of the senior management and that of other employees of the Company;
 - 6.2.1.4. the benefits granted to senior management;
 - 6.2.1.5. the adequacy of pension arrangements and also the cost implications of pension arrangement, including the pension effect of remuneration proposals.
 - 6.2.1.6. to undertake an annual review of the Job Family Classification Remuneration Package to ensure it remains fit for purpose for the organisation and staff.to ensure that staff are being fairly rewarded for their performance and contribution to the organisation
 - 6.2.1.6.1. where, in terms of staff remuneration and benefits the Company stands in relation to key trends and other comparable institutions in the sector.
 - 6.2.1.6.2. to review the adequacy of pension arrangement in place for staff
 - 6.2.2. to consider and determine the remuneration package of individual consultants to the Company taking into account that:
 - 6.2.2.1. no such agreement should be for a period for excess of a year and contain notice periods in excess of 3 months;
 - 6.2.2.2. the affordability of the proposals to the Company;
 - 6.2.2.3. best value obtained.

- 6.3. The members of the Committee shall be:
 - 6.3.1. the Chair for the time being of the Board;
 - 6.3.2. the two Vice-Chairs for the time being of the Board; and
 - 6.3.3. one other member of the Board.
- 6.4. The Chief Executive will be an adviser to the Committee.
- 6.5. The Board may appoint co-opted members to the Committee.
- 6.6. Co-opted members and advisers to the Committee will be entitled to attend and speak at meetings of the Committee, but will not be entitled to vote.
- 6.7. A member of the Committee shall not be entitled to be present at a meeting where the remuneration of that member is being determined or discussed.

7. Chair

- 7.1. The Chair of the Board shall not act as Chair of the Committee.
- 7.2. Subject to 2.1, the Board shall appoint and remove the Chair of the Committee.

8. Frequency of Meetings

8.1. The Committee shall meet at least once a year to determine remuneration for the following year.

9. Quorum

9.1. A quorum shall consist of three members of the Committee.

Appendix C

The Audit and Finance Committee

1.6. Role and Remit

- 9.2. The role and remit of the Committee is as follows:
 - 9.2.1. Internal Control
 - 9.2.1.1. reviewing the effectiveness of internal controls and risk management systems in the context of the environment in which the Company operates;
 - 9.2.1.2. reviewing and advising the Board of the internal auditors and the external auditor's assessment of the effectiveness of the Company's financial and other internal control systems, including controls specifically to prevent or detect fraud or other irregularities as well as those for securing economy, efficiency and effectiveness;
 - 9.2.1.3. reviewing and advising the Board on its compliance with corporate governance requirements, legislative requirements and good practice guidance;
 - 9.2.2. Internal Audit
 - 9.2.2.1. advising the Board on the selection, appointment or reappointment and remuneration, or removal of the internal audit provider where the service is contracted-out;
 - 9.2.2.2. advising the Board on the terms of reference for the internal auditor;
 - 9.2.2.3. reviewing the scope, efficiency and effectiveness of the work of internal audit, considering the adequacy of the resourcing of internal audit and advising the Board on these matters;
 - 9.2.2.4. advising the Board of the Committee's approval of the basis for and the results of the internal audit needs assessment and the strategic and operational planning processes;
 - 9.2.2.5. approving the criteria for grading recommendations in assignment reports as proposed by the internal auditor;
 - 9.2.2.6. reviewing the monitoring of management action on the implementation of agreed recommendations reported in internal audit assignment reports and internal audit annual reports;

- 9.2.2.7. considering salient issues arising from internal audit assignment reports, progress reports, annual reports and management's response thereto and informing the Board thereof;
- 9.2.2.8. informing the Board of the Committee's approval of the internal audit service's annual report;
- 9.2.2.9. ensuring establishment of appropriate performance measures and indicators to monitor the effectiveness of internal audit;
- 9.2.2.10. securing and monitoring appropriate liaison and co-ordination between internal and external audit;
- 9.2.2.11. responding appropriately to notification of fraud or other improprieties received;

9.2.3. External Audit

- 9.2.3.1. considering the Company's annual financial statements and the external auditor's report prior to submission to the Board. The Committee should consider the external audit opinion, the Statement of Responsibilities and any relevant issue raised in the external auditor's Management Letter;
- 9.2.3.2. reviewing the external auditor's annual Management Letter and monitoring management action on the implementation of the agreed recommendations contained therein;
- 9.2.3.3. advising the Board of salient issues arising from the external auditor's management letter and any other external audit reports, and of management's response thereto;
- 9.2.3.4. reviewing the statement of corporate governance;
- 9.2.3.5. establishing appropriate performance measures and indicators to monitor the effectiveness of the external audit provision;
- 9.2.3.6. reviewing the external audit strategy and plan;
- 9.2.3.7. holding discussions with external auditors and ensuring their attendance at Audit Committee and Board meetings as required;
- 9.2.3.8. considering the objectives and scope of any non-statutory audit work undertaken or to be undertaken, by the external auditor's firm and advising the Board of any potential conflict of interest; and
- 9.2.3.9. securing appropriate liaison and co-ordination between external and internal audit;

9.2.4. Finance

9.2.4.1. to make recommendations to the Board on the Company's budget;

- 9.2.4.2. to monitor and report regularly to the Board on the Company's finances including performance against budget;
- 9.2.4.3. to ensure that the Company's financial obligations are met;
- 9.2.4.4. to advise the Board on the financial implications and financial risks arising from Board decisions where relevant;
- 9.2.4.5. to work with the Executive Team to ensure that financial information on the Company is accurate and presented in such a way that facilitates good governance and management;
- 9.2.4.6. to scrutinise regularly the Company's management accounts and cash flow forecasts;
- 9.2.5. Best Value
 - 9.2.5.1. establishing and overseeing a review process for evaluating the effectiveness of the Company's arrangements for securing the economical, efficient and effective management of resources and the promotion of best practice and protocols, and reporting to the Board thereon;
- 9.2.6. Advice to the Board
 - 9.2.6.1. the committee will report to each Board meeting.
 - 9.2.6.2. reviewing compliance with the Corporate Governance Code and advising the Board on this and reviewing this Code to ensure it continues to meet best practice;
 - 9.2.6.3. producing an annual report for the Board;
 - 9.2.6.4. reviewing reported cases of impropriety to establish whether they have been appropriately handled.

1.7. Specific Authorities

- 10.1. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee, and all employees are directed to co-operate with any request made by the Committee;
- 10.2. The Committee is authorised by the Board to obtain independent professional advice and to secure the attendance of non-members with relevant experience and expertise at its meetings if it considers this necessary.

1.8. Membership

- 11.1. The members of the Committee shall be four members of the Board (other than the Chair) at least one of whom will have a background in finance, accounting and auditing as determined from time to time by the Board;
- 11.2. The Board may co-opt members to the Committee as it thinks necessary;
- 11.3. Co-opted members and advisers to the Committee will be entitled to attend and speak at meetings of the Committee, but will not be entitled to vote;
- 11.4. The Finance and Personnel Director should normally attend Audit Committee meetings, together with other staff invited to attend. The external auditor should normally attend any meetings where an external audit report is being considered. The internal auditor should attend as and when requested by the Committee. Such persons will be entitled to speak at meetings of the Committee, but will not be entitled to vote;
- 11.5. The Chief Executive must not be a member of the Committee, and similarly, other members of the senior management must not be members. However, the Committee will be serviced by and supported by the Executive Team;
- 11.6. No connected party such as an employee or partner of the Company's solicitors, bankers, auditors, insurers or other professional advisers should be a member of the Committee.

1.9. Chair

- 12.1. Subject to 3 above, the Board shall appoint and may remove the Chair;
- 12.2. Where the Chair ceases to be a member of the Committee, that individual shall cease to be Chair.

13. Frequency of Meetings

- 13.1. The Committee shall meet at least three times per year;
- 13.2. The Committee will meet privately with the Internal and External Auditors at least once per year.

14. Quorum

14.1. A quorum shall consist of two members of the Committee.

15. Reporting

- 15.1. To ensure that the agenda and papers for each meeting are circulated to all members of the Board in advance of each Committee meeting;
- 15.2. All meetings may be attended by all Board members, but only Audit & Finance Committee members can vote;
- 15.3. Committee Members can decide to refer any matter to the board for a decision and/or ratification;
- 15.4. Any Board member can require that an item on the committee agenda should not be decided by the Committee but that a decision on that issue should be reserved for the full board. They must notify the Chief Executive before 3.00pm on the day before the Committee meets, to allow time for the meeting arrangements to be changed.
- 15.5. The Committee shall circulate the minutes of its meetings to the Board;
- 15.6. The Committee will produce an annual report which it will submit to the Board, and will include an assessment on the adequacy and effectiveness of the internal control systems. This assessment will be based on the results of the work of the Internal Auditors as reported in their annual report and the External Auditors' opinion on the financial statements as well as the management letter. The report will also incorporate any significant matters arising from the work of internal audit, external audit, any value for money programme and any other relevant review, as well as key administrative information pertaining to the Committee.