Audit & Risk Management Committee

Remit

Review Date	Key Updates Made	Approval
September 2026	Update to job roles and to reflect current practice re. office bearer appointment; housekeeping changes to bring in line with the style of other remits.	Board
June 2022	Updates to roles detailed within document.	Board
January 2021	Updates to roles detailed within document and details of notifiable events.	Board
October 2018		Board

1. Purpose

1.1 The Albyn Housing Society Board ('the Board') has overall responsibility for the conduct and control of the business of Albyn Housing Society ('Albyn').

1.2 In accordance with the Rules of Albyn, Scheme of Delegated Authority, and Standing Orders of the Board, authority for overseeing the effective discharge of the responsibilities of the Board have been delegated to the Audit & Risk Management Committee ('the Committee') in respect of:

- External Audit & Financial Reporting
- Internal Control & Internal Audit
- Risk Management
- Regulatory Compliance

1.3 This remit sets out those areas of responsibility that have been delegated to the Committee and identifies those areas where authority is reserved to the Board. In the event of any doubt about the extent of the authority of the Committee, the matter should be referred to the Board.

2 Membership

2.1 The Board will appoint the membership of the Committee on an annual basis, and this shall be done in consultation with the Chair of Committee.

2.2 The Committee will have at least three and not more than five members. In appointing members to the Committee, the Board shall have regard to the results of the annual skills audit to ensure that members have the necessary experience to fulfil their role: at least one member must have a financial background.

2.3 The Board will appoint the Chair of Committee at the first Board meeting following the Albyn AGM. The role of the Chair is described in the role description that forms part of the Board Member Handbook.

2.4 The office bearers of the Board may not be members of the Committee. The Chair of the Committee may not also be the Chair of another Albyn Committee.

2.5 In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the meeting.

2.6 The Committee may appoint one additional advisor who has specific knowledge and experience relevant to the work of the Committee: the advisor may not be appointed as an office bearer and will not have any voting rights.

3 Secretary

3.1 The Corporate Governance Manager shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to them.

3.2 The Committee will be advised and supported by the Chief Executive Officer and the Executive Director of Group Services (ExDGS) who will act as principal advisors and will liaise with the Chair in the preparation of the agenda, minutes and papers.

4 Quorum

4.1 The quorum necessary for the transaction of business will be three, not including any co-optees or the advisor.

5 Frequency of meetings

5.1 The Committee will meet at least three times per year.

6 Notice of meetings

6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any of its members.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than a week before the date of the meeting.

7 Meeting Resolutions

7.1 Meetings of the Committee may be held and resolutions of the Committee made by any means permitted in the Rules of Albyn for a meeting or resolution of the Board.

7.2 Any matter that is referred to the Board for approval or decision will be the subject of a separate paper that will be prepared and circulated with the Board papers.

8 Minutes of meeting

8.1 The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes will be circulated to the Board.

9 Duties generally

9.1 The ExDGS is responsible for providing advice to the Committee, for ensuring that Albyn business activities are conducted to the agreed standards, managed within the approved budget, and that all legal and regulatory requirements are met.

9.2 The Committee is responsible for:

- Carrying out its duties as set out within this remit with regard to External Audit & Financial Reporting; Internal Control & Audit; Risk Management; and Regulatory Compliance.
- Implementing and monitoring any strategy on behalf of the Board in accordance with the Scheme of Delegated Authority.
- Reviewing and approving policies on behalf of the Board in accordance with the

Scheme of Delegated Authority.

- Monitoring any Action Plans on behalf of the Board in accordance with the Scheme of Delegated Authority.

9.3 The Committee will immediately bring any matter of serious concern to the attention of the Board.

9.4 The Committee may commission special investigations and may instruct or retain specialist independent advice (i.e. legal or accounting advice) in order to assist in the fulfilment of this remit.

9.5 The Committee will meet with the External Auditor of Albyn at least once per year, and may meet with the External Auditor at any time in the absence of staff.

9.6 The Committee will meet with the Internal Auditor of Albyn at least three times per year, and may meet with the Internal Auditor at any time in the absence of staff.

9.7 The Committee has the right of access to all information and records necessary for the fulfilment of its function.

9.8 The Committee will make at least one report to the Board during the year on the effectiveness and adequacy of the Albyn internal controls which will include a review of:

- External Audit & Financial Reporting.
- Internal Audit.
- Risk Management.
- Regulatory Compliance.

10 External Audit and Financial Reporting Duties

10.1 The Committee will:

- Oversee and report to the Board on the financial reporting process and the External Audit .
- Review the annual financial statements in advance of their presentation to the Board and assist the Board in ensuring that the financial reports to external parties, in particular, the annual financial statements, are balanced, show a true and fair view, and conform to accounting standards
- Agree and monitor the planned programme of audit and review the quality and standard of service provided by the External Auditor of Albyn.
- Consider the management letter of the External Auditor, agree the terms of the response, and monitor the implementation of any action recommended.
- Confirm to the Board that there are no outstanding matters of disagreement between the management of Albyn and the External Auditors.
- Advise the Board on the appointment (or re-appointment) of the External Auditor and make recommendations on the terms of the engagement.

11 Internal Control and Internal Audit Duties

11.1 The Committee will:

- Oversee and report to the Board on the accounting and internal control systems of Albyn, and the performance of the Internal Audit function.
- Ensure appropriate Internal Audit arrangements and approve the scope of such arrangements, including ensuring that the Internal Auditors have free access to all information within Albyn
- Commission Internal Audit services from a suitably qualified independent source and monitor the quality and delivery of all Internal Audit services
- Agree the annual programme of Internal Audit work and monitor its implementation.
- Receive Internal Audit reports and consider management responses to recommendations to ensure that they are appropriate, timely and effectively implemented.
- Report to the Board all action taken to address weaknesses and/or improve performance.

12 Risk Management Duties

12.1 The Committee will:

- Oversee and report to the Board on the Risk Management process of Albyn and make recommendations to the Board on the Risk Management Strategy.
- Monitor identified risks by receiving and reviewing risk reports.
- Identify and assess new/emerging risks reports and report significant changes/additions to the Board.
- Review the Fraud Register and receive reports on any cases of attempted or actual fraud.
- Ensure appropriate business continuity plans are in place and kept under review.

13 Regulatory Duties

13.1 The Committee will:

- Oversee and report to the Board on matters of corporate governance regulatory compliance.
- Receive reports on any matters raised under the terms of the Whistleblowing Policy and notify the Board.
- Review at least annually the Payments & Benefits; Declarations of Interest; and Gifts & Hospitality Register.

- Receive and review reports on Notifiable Events reported to the Regulator.
- Receive and review reports on Data Protection and Freedom of Information matters.
- Receive and review an annual report on the compliance of Albyn with statutory and regulatory returns.

14 Review

14.1 The Committee shall review this remit at least every five years to ensure it is effective and recommend any changes it considers necessary to the Board for approval.