

Auditor Panel

Terms of Reference

1. Constitution

The Auditor Panel of the Clinical Commissioning Group is a statutory committee established as a sub-committee of the Governing Body, in accordance with the constitution, standing orders and scheme of reservation and delegation.

These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the audit committee and shall have effect as if incorporated into the CCG constitution and standing orders.

2. Principal Function

The auditor panel must advise the CCG on:

- The maintenance of an independent relationship with the appointed auditor
- The selection and appointment of the local auditor

The auditor panel's key role is to check that:

- Contract arrangements (ie procurement and the selection of external auditors) are appropriate
- The relationship and communications with the external auditors are professional
- Conflicts of interest are effectively dealt with.

3. Membership

The membership of the auditor panel will consist of,

- i. The Lay Member of the Clinical Commissioning Group who leads on audit and conflict of interest matters
- ii. At least one other Lay Member of the Clinical Commissioning Group
- iii. One other member with the relevant skills and experience as nominated by the Governing Body

4. Chair

The panel will be chaired by the Lay Member leading on audit and conflict of interest matters.

The Chair has the responsibility to ensure that the panel obtains appropriate advice in the exercise of its functions.

5. Secretarial support

The Corporate Secretary shall be Secretary to the panel and shall ensure that a minute of the meeting is taken and provide appropriate support to the Chair and panel members.

6. Quorum and decision making

A quorum shall be two members of the panel, or 50% of the membership, whichever is the greater. This will include the Chair.

In the event of the Chair of the panel being unable to attend all or part of the meeting, he/she will nominate a replacement from within the membership to deputise for that meeting.

Generally it is expected that decisions will be reached by consensus. Should this not be possible then a vote of members will be required. In the case of an equal vote, the person presiding (i.e. the Chair of the meeting) will have a second, and casting vote.

7. Frequency of meetings

Meetings of the auditor panel will be held as and when required.

Members will be expected to attend each meeting.

In exceptional circumstances and where agreed in advance by the chair, members of the committee or others invited to attend may participate in meetings by telephone, by the use of video conferencing facilities and/or webcam where such facilities are available. Participation in a meeting in any of these manners shall be deemed to constitute presence in person at the meeting.

8. Remit and responsibilities of the panel

- i. The auditor panel is an advisory body – it advises on the selection and appointment of external auditors. Responsibility for the actual procurement and appointment of the auditors remains with the governing body.
- ii. The auditor panel should advise the CCG on the purchase of 'non-audit services' from the auditor.
- iii. The panel will consider any liability limit suggested by the external auditors as part of the procurement process and advise the governing body on whether or not it is fair and reasonable.

- iv. Maintain commercial confidentiality e.g. prices included in contract documentation.

9. Reporting arrangements

The auditor panel reports to the CCG Governing Body.

The minutes of the auditor panel meetings shall be formally recorded and submitted to the Governing Body. The Chair of the panel shall draw to the attention of the Governing Body any issues that require disclosure to the relevant statutory body or require executive action.

The Governing Body will hold the auditor panel to account for the delivery of its remit and responsibilities.

10. Policy and best practice

The auditor panel will apply best practice in its decision making, and in particular it will:

- i). comply with current disclosure requirements for remuneration;
- ii). ensure that decisions are based on clear and transparent criteria
- iii). comply with CCG policy and procedures for the declaration of interests

The auditor panel will have full authority to commission any reports or surveys it deems necessary to help it fulfil its obligations.

11. Conduct of the Auditor Panel

All members of the auditor panel and participants in its meetings will comply with the Standards of Business Conduct for NHS Staff, the NHS Code of Conduct, and the CCG's Policy on Standards of Business Conduct and Declarations of Interest which incorporate the Nolan Principles.

12. Date of Review

The auditor panel will review its performance, membership and these Terms of Reference at least once per financial year. It will make recommendations for any resulting changes to these Terms of Reference to the Governing Body for approval.

No changes to these Terms of Reference will be effective unless and until they are agreed by the Governing Body.

Approval Date: November 2015

Review Date: November 2016