

## **Audit, Finance and Governance Panel**

### **Draft Terms of Reference**

#### Roles and Responsibilities

1. To monitor the integrity of the financial statements of the HEY LEP (referred to as the organisation) and any formal reports and announcements relating to the organisation's financial performance, having reviewed any significant financial reporting judgements contained in them.
2. To review the organisations internal financial controls and risk management systems as provided by the Accountable Body.
3. To monitor and review the effectiveness of the organisations internal audit function as provided by the Accountable Body.
4. To make recommendations to the Board, in relation to the appointment of an external auditor and to approve the remuneration and terms of engagement of such resource.
5. To determine and agree with the Board the organisation's remuneration philosophy and the principles of its remuneration policy, ensuring that these are in line with the LEP strategic objectives, values and long term interests of the organisation and comply with all regulatory requirements.
6. To determine the principles for the calculation of and recommend any remuneration packages for the Chair and Deputy Chair of the Board, if applicable for subsequent approval by the Board.
7. To work with the Chair of the Board to manage any Board performance evaluations.
8. To support the Chair of the Board in the recruitment, re-nominations and dismissal of Board members.
9. To determine any conflicts of interest, which may occur within the LEP Board that cannot be satisfactorily resolved by the Chair of the Board.
10. To review and/or make recommendations on any other matters referred to the Panel by the Board.
11. To report to the Board on the proceedings of the Panel after each meeting, making the minutes of the meeting available to Board members.

#### Membership

- The Chair and the members of the Panel will be appointed by the Board.
- The Chair of the Panel will be an independent non-executive member.
- The Panel will include at least two independent non-executive members in addition to the Chair of the Panel.
- The Board may appoint up to two LEP Board members to the Panel.

- The Chair of the HEY LEP may be a member of the Panel, but not chair the Panel.
- The quorum for the meetings shall be two independent, non-executive members, provided they represent a majority over the LEP Board members.
- Non-Executive members must comprise the majority of the membership of the Panel and at meetings and in any voting, which may take place.
- Appropriate resources including induction on appointment and technical information will be made available to Panel members to develop knowledge and expertise to ensure that members have the relevant skills and experience.

#### Attendees and meetings

- Meetings will take place on a quarterly basis in year one of the HEY LEP and at least three times a year thereafter.
- The Panel may invite the Chief Operating Officer or other LEP Executive, and a representative from the Accountable Body to attend all or part of a meeting.

The Panel will be managed via high standards of governance, for further details go to [Assurance, governance and transparency » HEY LEP - Hull and East Yorkshire](#)