

Risk & Assurance Committee

TERMS OF REFERENCE

1. Scope

1.1. Purpose

Responsible for providing scrutiny, review and assurance to the Board of Trustees, that the significant operational and compliance risks and events faced by the organisation are identified, assessed, managed and monitored. Compliance risks are those that relate to legal, regulatory and policy compliance, including health, safety, security and safeguarding. Operational risks are those that impact the delivery of operations, services and programmes, for example safe delivery of our services; and business continuity. The committee shall provide assurance to the Board that the organisation achieves required standards, meets statutory and regulatory requirements, and remains focused on continuous improvement in key operational and compliance risk areas.

1.2. Authority

The committee has delegated authority from the Board of Trustees in accordance with the terms of reference.

The committee is responsible for overseeing operational and compliance risk and assurance at the British Red Cross covering both UK and international work.

1.3. Reporting

The committee reports to the Board of Trustees.

2. Membership

2.1. Chair

The committee will be chaired by a trustee appointed by the chair of the Board of Trustees.

2.2. Members

Core membership of the committee will comprise:

- Up to five trustees (one of whom will be chair of the committee; and one of whom will be a member of the Finance and Audit Committee)
- Executive Director, UK Operations (ex officio)
- Up to two external advisors

2.3. Other attendees

Standing attendees shall be:

- The Chair of the Board of Trustees may attend as an advisor
- Executive Director of International (Keeping People Safe portfolio responsibility)
- Head of Internal Audit & Counter Fraud
- Chief of Staff
- Corporate Risk Manager

Other members of management (risk owners and assurance providers) shall also be invited to attend meetings.

2.4. Term of office

Two terms of four years each; coterminous with each Trustee's terms of office.

Ex-officio members shall serve only so long as they continue to occupy the positions by virtue of which they become members.

2.5. Quorum

Quorum is set at three members, at least two to be Trustees.

3. Responsibilities

The responsibilities of the Committee shall be:

- 3.1. To review, scrutinise and challenge the integrated risk and assurance report, which will include information on:
 - The top operational and compliance risks to which BRC is exposed
 - The causes, potential impact and probability associated with each risk
 - The existing key internal controls for each risk, including compliance activities for regulated services
 - Additional mitigating actions for each risk
 - Related significant risk events and incidents, their investigation and the associated corporate learning
 - Related regulatory and third-party reports and associated remedial actions
- 3.2. To review and approve policy or strategy documents, for example approving the annual health and safety policy statement as delegated by the Board, prior to the CEO and Board Chair signing.
- 3.3. To help drive continuous improvement in the organisation's risk and compliance culture and practice.
- 3.4. To receive the annual Quality Account, recommend the annual Self Certificate for approval to the Board of Trustees and any other externally required report of notification on behalf of the Board.
- 3.5. To monitor and evaluate IT resilience; cyber, data protection and information security, particularly to ensure that these risks are mitigated against and threats reduced.
- 3.6. To escalate risk and assurance matters as appropriate to the Board of Trustees.
- 3.7. To consider other matters as referred by the Board from time to time apart from financial risks which are overseen by the Finance and Audit Committee.
- 3.8. Internal audits which receive limited assurance will be shared with the Committee where appropriate apart from those which are within the Finance and Audit Committee's remit.

4. Management

4.1. Secretary

There shall be a secretary who will arrange, convene, attend and record all meetings of the committee.

The Chief of Staff maintains an oversight of all committees.

4.2. Papers / Agenda

The Secretary is responsible for circulating papers for the meetings. Agenda and papers will be circulated to all members at least 5 working days before the meeting.

4.3. Meetings

The committee will normally meet four times a year. Additional meetings may take place at the request of the committee chair.

4.4. Attendance

Members are expected to attend all meetings of the committee unless agreed by the chair. Executive members must nominate a suitable deputy if unable to attend. Attendance by tele/video conference can be agreed with the chair.

4.5. Minutes / reporting

The Secretary to the Committee shall distribute minutes of each meeting to committee members within ten working days. Minutes will be shared with the board at the following board meeting.

The Committee Chair will report formally to the Board on the Committee's proceedings.

4.6. Sub-groups

The committee may establish sub-groups to oversee specific issues, setting their terms of reference and membership as required.

4.7. Conflicts of interest

Committee members are required to sign the Board code of conduct, which includes a conflict of interest clause. Committee members are required to declare their potential interests in accordance with the *Conflict of Interest Policy* as agreed by the Board (from time to time).

5. Version Control

5.1. Approval

These terms of reference were approved by the Board of Trustees at their meeting on 13 April 2021