



**Bristol Waste**  
Audit Committee

# CHARTER

Produced by: Bristol Waste Company

Dated: 1<sup>st</sup> July 2018

Issue: 1.

# Audit Committee Charter

## 1. Introduction & Pre-amble

This charter sets out to establish the core principles and modus operandi for the Audit Committee at Bristol Waste. The objective is to support best-practice, manage overall business risk, continuous improvement and good corporate governance for the business, its people and the interests of our shareholder and key stakeholders.

## 2. Purpose

The purpose of the Audit Committee is to ensure that the strategy, policy, procedures and business initiatives to support the overall business operation of Bristol Waste are in good order, compliant with legislation, the needs of the business and corporate governance at all times, ensuring that any business risks are being appropriately managed.

The committee will also observe the requirements for good corporate governance and any relevant directives that may be offered by the shareholder(s) or key stakeholders of the business.

## 3. Committee Structure

The committee will be structured to include people that can represent a wide cross section of the business at all levels and to fulfil the purpose noted above. The table below highlight the current committee structure:

Audit Committee Structure	
Position:	Core Team Role:
Committee Chairman	Manages the forum, sets the agenda and challenges any management team proposals.
Managing Director	Participates in forum discussions, leads and presents any company proposals
Finance representative	Participates in forum discussions, leads and represents any financial inputs / proposals
Operations director	Participates in forum discussions, leads and represents the operational requirements
SHEQ representative	Participates in forum discussions, leads and represents the corporate SHEQ requirements
Committee secretary	Participates in forum discussions. Works with the chairperson to set the agenda. Co-ordinates the meetings. Produces and circulate the meeting notes / action lists
Corporate auditor representative <i>Note: Will be invited for one annual meeting or as requested for any special meetings / topics</i>	Participates in forum discussions, presents ideas and proposals. Provides impartial advice, information and guidance (AIG). Maybe by invitation only to select meetings or part of the core meeting agenda. Assists with implementation of jointly agreed initiative
Bristol City Council Audit Team	Will conduct 2 business-wide audits per annum and produce a report and presentation for the Audit Committee.
Council appointed director (Cllr)	Committee Member

## 4. Principles

Audit Committee Principles
<i>The core aims of the audit committee will be aligned with the following principles. These are considered to support the Most Important Requirements (MIRs) for the business. These are not in any order of priority. The business will produce an annual programme of audits to fulfil the principles noted below</i>
Principles of the Audit Committee
<p><b>Financial Business Audit:</b></p> <ul style="list-style-type: none"><li>• Monitoring the integrity of the financial statements and any formal announcements relating to financial performance;</li><li>• Reviewing internal financial controls, the company's internal control and risk management systems;</li><li>• Monitoring and reviewing the effectiveness of the internal audit function;</li><li>• Making recommendations to the board in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor;</li><li>• Reviewing the auditor's independence and objectivity;</li><li>• Developing and implementing the non-audit services policy.</li></ul> <p><b>Non - Financial Business Audit:</b></p> <ul style="list-style-type: none"><li>• To monitor and ensure the integrity of the following systems, policies and procedures for overall business performance:<ol style="list-style-type: none"><li>1. Safety, Health, Environmental and Quality (SHEQ) systems</li><li>2. Budgetary control arrangements</li><li>3. Business continuity and disaster recovery</li><li>4. Business and investment plan monitoring</li><li>5. Contract and operational performance management</li><li>6. Business Ethics</li><li>7. Fraud risk assessment and prevention</li><li>8. Business insurances</li><li>9. Policy updates and compliance:<ul style="list-style-type: none"><li>▪ Human Resources</li><li>▪ Corruption</li><li>▪ Whistleblowing</li><li>▪ Data protection</li><li>▪ ITC security (including mobile devices)</li><li>▪ Internet and email</li><li>▪ Financial approvals and sanctions (regulations)</li></ul></li><li>10. Procurement</li><li>11. Operating licences., leases &amp; permits compliance</li><li>12. GDPR Compliance</li><li>13. Risk management plans</li></ol></li></ul>

## 5. Audit Programme & Committee Meetings

The audit committee will meet on the basis of a structured annual programme. It will have a calling notice and agenda specifically structured to serve the requirements of the business. Initially the committee will meet on a monthly basis and thereafter it will switch to a quarterly basis. Special meetings of the committee can be arranged at any time to suit specific business needs or urgent requirements. The launch programme and subsequent annual programme is highlighted below:

Meeting Number:	Date:
1	15 <sup>th</sup> August 2018 (Initial launch meeting)
2	October 2018
3	November 2018
4	Q1 2019 January 2019
5	Q2 2019 April 2019
6	Q3 2019 July 2019
7	Q4 2019 October 2019

The business will produce an annual programme of audits to fulfil the principles of this charter and will comply with the reporting requirements noted below. The audit programme will be regularly updated and reviewed at every Audit Committee meeting to ensure progress or agree revisions. As a minimum, the audit programme will be reviewed, updated and circulated to the committee members in-line with the start of every financial reporting year for the business. The **annual programme of audits** is given at the end of this charter.

## 6. Core Committee Agenda

The committee will establish and use a core meeting agenda with the ability to add be-spoke or project specific items to suit the needs of the business or urgent requirements. The core agenda is included below for reference:

### CORE AGENDA TEMPLATE

<b>Meeting:</b>	<b>Audit Committee</b>
<b>Date:</b>	Date to be inserted
<b>Attendees:</b>	Core team members to be inserted

Item No:	Item:
1	Introduction and purpose
2	Update on current situation including items of special interest
3	Audit programmes and initiatives
4	Key Success Factors / Issues / Hot spots
5	Timetable and Action Plan
6	AOB / Summary of Action / Next meeting

## 7. Authority

The committee is authorised to:

- Seek any information it requires from any area of the business in order to perform its duties
- To call any employee to be questioned at a meeting of the committee and as and when required
- To obtain external legal or other professional advice, information and guidance (AIG) on any items within the terms of reference contained within this charter, or as otherwise may be required by the board or shareholder directives
- Develop any business proposals for strategies, policies, initiatives or other items that may be required to support the overall business development, growth, risk management, corporate governance or any other item.
- Following approval from the appropriate authority level relevant to any business proposal, may implement that proposal using the business resources required to affect a successful implementation

## 8. Reporting and Quality Assurance

- The committee will receive reports, findings, recommendations, proposals and conclusions in the form of structured reports or discussion “white-papers” papers for review. Before any relevant report is issued, it will be discussed with relevant managers. A draft report will be issued to all key people to confirm the accuracy of the report, address issues raised and provide responses to the recommendations of any report. A final report will be issued to the Managing Director who should ensure that the agreed action plan is carried out. A summary of the report and action plan will be prepared and presented at the Audit Committee meeting.
- All meetings will have a structured agenda and key points / action lists will be produced following the meeting and circulated in good time to all members of the remuneration committee.

## 9. Statement of Commitment

This charter represents our statement of commitment to support the principles of the audit committee embodied in this charter :

Name:                      Signature:

Position:                **Chairman**

Date:

Name:                      Signature:

Position:                **Managing Director**

Date:

Name:                      Signature:

Position:                **Finance Director**

Date:

Name:                      Signature:

Position:                **Finance Representative**

Date:

Name:                      Signature:

Position: **Operations Director**

Date:

Name: Signature:

Position: **Committee Secretary**

Date:

Name: Signature:

Position: **SHEQ Representative**

Date:

Name: Signature:

Position: **BCC Representative**

Date:

Name: Signature:

Position: **BCC Board Member**

Date: