



Gangmasters  
Licensing Authority

# GLA45/16a Audit and Risk Committee Recruitment

**22 April 2015**

# **Board Paper Reference – GLA45/16a – Audit and Risk Committee Recruitment**

## **1. Purpose of the Paper**

- 1.1 The Gangmasters (Licensing Authority) Regulations 2015 enable the organisation to establish committees. As the GLA has operated an Audit and Risk Committee (ARC), which is seen as good practice, the GLA wishes to continue this approach and appoint an ARC from Board Members.

## **2. Recommendation**

- 2.1 The GLA Chair and Board Members agree membership of the Audit and Risk Committee.

## **3. Reasons for Recommendation**

- 3.1 To address the issue at the first meeting of the newly appointed GLA Board.

## **4. Summary of Key Points**

- 4.1 The Board requires an Audit and Risk Committee made up of Board members to discharge its legal duties.

## **5. Financial Implications and Budget Provision**

- 5.1 5(7) of the Statutory Instrument requires payment to Board members at meetings. This would include as members of the Audit and Risk Committee. It is envisaged that Board members will complete between 18 & 25 days service per annum of which 4 – 8 will be taken up specifically with Board attendance and pre board preparatory work. Therefore, it is considered that additional days attendance for those individuals who may serve on the ARC, would be covered by the annual number of days expected and therefore already be budgeted for.

## **6. Organisational Risks**

The organisation would be at risk if it did not have an ARC as all Agencies and NDPBs are required to demonstrate compliance with Government direction on corporate governance. Specifically, the Annual Report and Accounts of such bodies are to contain a statement to this effect by the Chief Executive.

It is considered best practice that an Audit and Risk Committee be set up to provide the Chief Executive with the evidence that will allow him to make this statement. In accordance with best practice, the committee is chaired by an independent individual from outside the organisation.

## **7. Policy Implications and Links to Strategic Priorities**

- 7.1 Effective Governance of risk enables the GLA to determine its vulnerabilities, and prioritise where change may be required in order to ensure the effectiveness of the organisation to discharge its functions and meet its strategic objectives.

## **8. Details of Consultation/EQIA**

- 8.1 N/A

## **9. Background Papers and Relevant Published Documents**

- 9.1 The Gangmasters (Licensing Authority) Regulations 2015.
- 9.2 GLA Board paper GLA1/7.4 – GLA Audit Committee Member.

**Report Author:** Jennifer Clarke

**Senior Responsible Officer:** Darryl Dixon