

| STATUTORY AND REGULATORY COMPLIANCE | | |
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| Tasks and responsibilities | RCN Council | Group Audit Committee |
| RCN GROUP STATUTORY, REGULATORY AND COMPLIANCE MANAGEMENT FRAMEWORK | <p>Council:</p> <ul style="list-style-type: none"> * approves the Statutory Regulatory and Compliance Management Framework that the Group work within and reviews its effectiveness. They delegate to Group Audit Committee oversight of the annual returns and the Committee assure Council of the Group's compliance *carries out the functions reserved for itself in the Charter and Standing Orders | <p>Committee:</p> <ul style="list-style-type: none"> * reviews the annual regulatory framework twice a year, for accuracy and assurance (Jan - Jun, and Jul - Dec) for the purposes of ensuring RCN Group internal controls are effective. * assures RCN Council and RCN Foundation Board that the Group are fully compliant |
| Appointment of External Auditors | <p>RCN Council appoints Group External Auditor on recommendation of Group Audit Committee</p> | <p>Committee leads the tender process and recommends to RCN Council, the appointment, the duration and audit fee</p> |
| | <p>Council receives report on the work of the external auditor from Group Audit Committee</p> | <p>Committee annually reviews the work of the External Auditors on behalf of RCN Council and RCN Foundation Board and reports to them</p> |
| Annual Report and Financial Statements | <p>* RCN Council approves consolidated Annual Report and Financial Statements recommended by the Group Audit Committee.</p> <p>*The annual report must then be approved by the External Auditors before publication and presentation at the Annual General Meeting.</p> <p>TO NOTE, COUNCIL SHOULD NOT APPROVE THE CONSOLIDATED ACCOUNTS UNTIL THE INDIVIDUAL ENTITY BOARDS HAVE APPROVED THEIR ACCOUNTS.</p> | <p>Committee:</p> <ul style="list-style-type: none"> * reviews the consolidated Annual Report and Financial Statements and individual entity accounts for consistency and appropriateness and reviews accounting policies and procedures. *confirms that the Annual Report and Financial Statements represent a true and fair statement of the RCN Group's financial position. *receives the report from the External Auditors which sets out the audit process followed, issues raised and any recommendations made. * presents their recommendation on the individual entity accounts to RCNF and RCN Holdco Boards *recommends to RCN Council they can approve the Group consolidated accounts once the entity boards have approved their accounts (sign the letter of representation) |
| | <p>Council approve the accounting policies contained within the annual report and Financial Statements.</p> <p>TO NOTE, THE ACCOUNTING POLICIES ARE APPROVED BY GROUP AUDIT COMMITTEE BEFORE THE ANNUAL REPORT IS COLLATED.</p> | <p>Committee approve the accounting policies to be used in the upcoming Group consolidated and individual entity annual accounts.</p> |
| | <p>Council sign letters of representation on assurance from Group Audit Committee and Executive Team</p> | |

| INTERNAL CONTROL FRAMEWORK | | |
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| Tasks and responsibilities | RCN Council | Group Audit Committee |
| RISK MANAGEMENT | Council reviews and notes Group risk register 1/4ly, following assurance from the Group Audit Committee | <p>Committee:</p> <ul style="list-style-type: none"> * reviews and approves the Group risk register 1/4ly on behalf of the Group's governing bodies before it is presented to RCNF Board and RCN Council to note. * can approve escalated risks raised at its meetings by members across the RCN Group * is assured by the RCN Executive Team that the Group risk framework is being complied with |
| APPOINTMENT OF INTERNAL AUDITORS AND AGREEMENT OF INTERNAL AUDIT PROGRAMME | Council approves appointment of internal auditors on recommendation of Group Audit Committee | <p>Committee:</p> <ul style="list-style-type: none"> * approves the preferred supplier that the appointment panel recommends. * then recommends the appointment of the internal auditors to RCN Council |
| | Council is informed of the annual audit programme by the Group Audit Committee | Committee approves the annual programme, recommended by internal auditors , after discussions with the RCN ET & RCNF SLT |
| | Council receives reports from the Group Audit Committee on the quality of the control environment in place, based on the annual internal audit programme | <p>Committee:</p> <ul style="list-style-type: none"> *receives and approves all the internal audit reports and action plans to implement findings. * monitors implementation of recommendations and reports to Council and RCN Foundation Board (via their Committee report) |
| | To maintain transparency, if the auditors are commissioned to undertake non audit work Council will be notified by the Group Audit Committee if the auditors have been commissioned to undertake non IA work | To maintain transparency, the Committee will be notified by the Executive Team if the auditors have been commissioned to undertake non IA work. For example, an internal review. |

| BUSINESS STRATEGY | | |
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| | RCN Council | Group Audit Committee |
| | Council receives 1/4ly report on progress against RCN strategy and agrees any requests to change priorities | Committee receives 1/4ly report on progress against RCN strategy |

| FINANCIAL STRATEGY AND COMPLIANCE | | |
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| | RCN Council | Group Audit Committee |
| FINANCIAL STRATEGY | Council receives report from Group Audit Committee 3 times a year on internal audit programme. Where applicable, the report on the audit programme will include progress on vfm and sustainability (financial and environment). | As part of internal audit process, Committee reviews arrangements in place for ensuring vfm and sustainability and it reports to council and/or RCNF Board, where applicable |
| GROUP ANTI BRIBERY, CORRUPTION AND FRAUD POLICY AND GROUP ANTI MONEY LAUNDERING POLICY | Council approves the policies and any changes on the recommendation of the Group Audit Committee | Committee reviews these policies within the review cycle and recommends any changes to RCNF Board and Council for approval. |

| FINANCIAL REGULATIONS | | |
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| | RCN Council | Group Audit Committee |
| | Council approves the Group Financial Regulations on the recommendation of the Group Audit Committee. | Committee reviews and recommends changes to RCNF Board and RCN Council for approval |
| | Approves all Financial Regulation changes to individual policies, authority limits, and role responsibilities on the recommendation of the Group Audit Committee | Committee reviews all Financial Regulation changes to individual policies, authority limits and role responsibilities. |
| | Council receives a report from Group Audit Committee to note small changes made by the RCN Executive Team | Committee receives a report to note from the Executive Team of any small changes made that they have approved |

| FINANCIAL CONTROL FRAMEWORK | | |
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| Task and Responsibilities | RCN Council | Group Audit Committee |
| USE OF EXTERNAL AUDIT FIRM FOR NON AUDIT WORK | Council and Finance and Investment Committee notified by Group Audit Committee Chair of the appointment of external audit firm for non audit work across the RCN Group | Committee: * approves the appointment of external audit firm for non-audit work. * Chair notifies Chair of Council and Chair of Finance and Investment Committee |
| | Council receives a report through Group Audit Committee on any such appointments | Committee receives detail of all non- audit engagement and notifies RCNF Board and RCN Council, where applicable |
| | Council receives an annual summary, via Group Audit Committee, of all non audit work undertaken by external audit firm, where appropriate | Committee provides RCNF Board and Council with a annual summary of non audit work undertaken by external audit firm, where appropriate |
| Approve expenditure (Group Financial Regulations and Schedule of Financial Limits) | Council approves all RCN approval processes on recommendation from Group Audit Committee | Committee recommends Group approval processes (for example, Financial Regulations and Schedule of Financial Limits) to RCNF Board and Council to approve |
| FINANCIAL CONTROL FRAMEWORK | | |
| Task and Responsibilities | RCN Council | Group Audit Committee |
| OTHER FINANCIAL PROCEDURES | | |
| Insurance (including Professional Indemnity Insurance | Council will receive assurance from Group Audit Committee that the Group has sufficient insurance cover for that year | Committee: * is notified annually (in April) by the Executive Team, that insurance policies have been renewed and RCN Group is covered for that year. They are also notified of any area of risk. Committee will receive a list of insurance policies * will then notify , Council and RCNF Board, via their committee report |

| GOVERNANCE ARRANGEMENTS | | | |
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| Task and Responsibilities | RCN Council | Governance Committee | Group Audit Committee |
| GOVERNANCE STRUCTURE AND WAYS OF WORKING <i>TO NOTE - consultation may not be applicable where there is a legal requirement to comply. For example, register of interests. In these instances, communication and guidance will be shared</i> | Council approves changes to governance structures and ways of working, on recommendation from the Governance Committee | In line with their terms of reference, the role of the Committee is to support Council to discharge its governance duties. It does this through regular review of the governance arrangements, governance documentation and policies , and where applicable makes recommendations to Council | Committee consulted or noted on proposed changes relevant to them, as required . Once the decision has been made by council, where applicable, committee will ensure changes are actioned |
| | Council ensures all elected and appointed members of Council and Committees have access to induction and development | Committees agrees the development of induction and development programme for council and committee members | Committee: * identifies its learning and development needs * agrees its induction programme accordingly and works with Governance to deliver the programme |

| EQUITY, DIVERSITY AND INCLUSION | | |
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| Tasks and responsibilities | RCN Council | Group Audit Committee |
| CHAMPION OF DIVERSITY AND HUMAN RIGHTS IN THE HEALTH AND SOCIAL CARE SECTOR | Council approves and champions the Group EDI strategy, on the recommendation of the Group EDI Committee. | Committee consulted on the development of the Strategy and ensures adherence to the strategy within its scope |
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