

AUDIT COMMITTEE

1. Constitution and Membership

- 1.1 Two members of the Committee constitutes a quorum, one of which must be an independent or co-opted member.
- 1.2 The Audit Committee has a core membership of seven persons, who may not be Members of the Resources Committee simultaneously.
- 1.3 Members of the Audit Committee are drawn from the Board of Governors (excluding the Vice-Chancellor) and where appropriate, the Board may co-opt up to two external members, drawn from outside the Governing Body, with appropriate accountancy/financial experience, provided that neither is an employee of the University, nor a student of the University.
- 1.4 The following Officers normally attend meetings of the Audit Committee:

Chief Operating Officer
University Secretary
Director, Finance
Deputy Director, Finance

The Vice-Chancellor attends meetings as necessary. Other staff may be invited to attend meetings, depending on the items under discussion.

- 1.5 The Internal and External Auditors will attend meetings of the Audit Committee:

2. Frequency of Meetings

- 2.1 The Committee will normally convene a minimum of three times per academic year.
- 2.2 Members are required to declare any pecuniary, family or personal interests in any matter under discussion at meetings, in addition to declaring such interests in the annual declaration.
- 2.3 Audit Committee Members hold private meetings at the end of each scheduled Audit Committee meeting with the internal and external auditors. Officers are asked to leave the meeting, and Members invite comments from, and ask questions of, the auditors.

3. Secretariat

- 3.1 The University Secretary/Clerk to the Board of Governors shall is Secretary to the Audit Committee but may designate an appropriate nominee to undertake some or all of the responsibilities of Secretary.
- 3.2 The Secretary is responsible for preparing minutes for the Committee's records and reports for the Board, recording the key issues considered by the Committee.

4. Terms of Reference

- 4.1 To advise the Board of Governors on the appointment of the external auditors, the audit fee, the provision of any non-audit services by the external auditors, and any questions of resignation or dismissal of the external auditors.
- 4.2 To discuss, if necessary, with the external auditors, before the audit begins, the nature and scope of the audit.
- 4.3 To consider the draft Annual Report and Financial Statements in the presence of the external auditor, including the auditor's formal opinion, the statement of members' responsibilities, the corporate governance statement, and the internal control and risk management statements.
- 4.4 To discuss with the external auditors any issues arising from the interim and final audits, including a review of the management letter incorporating management responses, and any other matters the external auditors may wish to discuss (in the absence of management where necessary).
- 4.5 To consider and advise the Board of Governors on the appointment and terms of engagement of the internal audit service (and the head of internal audit, if applicable), the audit fee, the provision of any non-audit services by the internal auditors and any questions of resignation or dismissal of the internal auditors.
- 4.6 To review the internal auditors' audit needs assessment and to review and approve the Annual Audit Plan; to consider major findings of internal audit work and management's response; and to promote co-ordination between the internal and external auditors.
- 4.7 To ensure that the resources made available for internal audit are sufficient to meet the University's needs (and to make recommendations to the Board of Governors as appropriate).
- 4.8 To keep under review, the effectiveness of internal control and risk management systems and, in particular, to review the internal auditors' annual report, and the management responses.
- 4.9 To monitor the implementation of agreed audit-based recommendations, from whatever source.
- 4.10 To ensure that all significant losses have been properly investigated and that the internal and external auditors, and where appropriate the OFS, have been informed.
- 4.11 Governors, including being notified of any action taken under the policies:
 - a. Counter Fraud Policy
 - b. Anti-Bribery & Corruption Policy (incl. Gifts & Hospitality)
 - c. Anti-Money Laundering Policy
 - d. Criminal Finances Act (Anti-Tax Evasion) Policy*

- e. Public Interest Disclosure Policy
- f. Modern Slavery Policy & Statement*

**The annual statements prepared in connection with these two policies are reviewed by Audit Committee but are subject to the approval of the Board of Governors.*

4.12. To oversee and maintain University policies on governance, compliance and regulation (and related activities) in line the Committee's workplan, including but not limited to:

- a. Financial Regulations
- b. Scheme of Delegation
- c. Due Diligence Framework
- d. Safeguarding Children & Adults at Risk Policy
- e. Prevent Duty Policy
- f. Visiting & External Speakers Policy
- g. Events Management Framework
- h. Records Management Policy
- i. OfS Reportable Events Policy

NB: The policies in this section are subject to varying review periods as set out in each policy and/or on the Committee's workplan. Some also require onward approval from the Board of Governors, while others are the remit of Audit Committee for approval, again as set out in the Committee's workplan.

- 4.13 To satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness (Value for money), including the annual review of the University's Value for Money Strategy on behalf of the Board of Governors (save for any material changes which require Board approval).
- 4.14 To receive and consider the annual report on Value for Money for onward transmission to the Board of Governors.
- 4.15 To receive and consider and (where appropriate) make recommendations to the Board of Governors on any relevant reports from the National Audit Office, the OFS and other organisations.
- 4.16 To monitor annually the performance and effectiveness of external and internal auditors, and to make recommendations to the Board of Governors concerning their re-appointment, where appropriate.
- 4.17 To review the adequacy of the University's arrangements for the management of risk, informed by a range of sources for assurance, including the oversight and maintenance of the Risk Management Framework & Policy on behalf of the Board of Governors (save for any material changes which require Board approval).
- 4.18 To monitor the management of key strategic risks as identified through the Strategic Risk Register

- 4.19 To monitor compliance with the University's Prevent duty, on behalf of the Board.
- 4.20 To receive updates on behalf of the Board on the University's compliance with the conditions of its Student and Skilled Worker Sponsor Licences.
- 4.21 On behalf of the Board of Governors, to receive reports (at least annually) and monitor the management of risk and security-related issues in the University's international activities, in accordance with the UUK Guidance on Managing Risks in Internationalisation.
- 4.22 To prepare for the Board of Governors and the OFS an Annual Report relating to the University's financial year (extended to the date of preparing the report in relation to any significant issues) including a commentary by the Committee on the adequacy and effectiveness of the University's arrangements for the following:
- a. Risk Management
 - b. Internal Control
 - c. Governance
 - d. Economy, efficiency, and effectiveness (VFM)
 - e. Management and quality assurance of data submitted to the HESA, OFS and other funding bodies
- 4.23 To receive a regular update on the University's approach to cyber security.
- 4.24 In performing its function, to have a commitment to equality, diversity, and inclusion (EDI) with the aim of ensuring that decisions have due regard to the University's commitment to EDI.
- 4.25 To review the effectiveness of the performance of the Audit Committee.
- 4.26 In the event of a merger or dissolution of the institution, to ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed.

5. Reporting Procedures

- 5.1 The Committee is responsible to and submits its reports and recommendations to the Board of Governors as appropriate.

Approved by	Board of Governors
Owner	University Secretary
Date reviewed	26.06.2024
Due for next review	July 2025