

AUDIT COMMITTEE TERMS OF REFERENCE

Purpose

The Audit Committee is responsible to the Board of Governors for the strategy and scope of audit activity. It receives reports from internal and external auditors and takes non-executive action where required. The Committee also monitors and examines the University risk management control processes and the arrangements for promotion of economy, efficiency and effectiveness on behalf of the Board.

Terms of Reference

1. To undertake the duties set out by the Office for Students (OfS) from time to time in its model terms of reference and the audit code of practice.
2. To oversee the strategy, scope and nature of audit activity.
3. To make recommendations to the Board of Governors or Vice-Chancellor or appropriate committees on matters arising from internal or external audit or similar reports.
4. To oversee and monitor the University's risk management, control and governance arrangements, and contingency planning and related procedures and policies.
5. To exercise authority delegated by the Board of Governors in:
 - i) Appointing internal and external auditors (Article 14.2);
 - ii) Taking non-executive action on matters arising from internal and external auditors' reports in so far as they relate to the operation of the approved Financial Regulations and Procedures.
6. To monitor annually the performance and effectiveness of internal and external auditors, including any matters affecting their objectivity, and make recommendations to the Board concerning their reappointment, where appropriate.
7. To consider elements of the annual financial statements in the presence of the external auditors, including the auditors' formal opinion, the statement of members' responsibilities and the statement of internal control, in accordance with the funding council's direction.
8. To prepare an annual report for submission to the Board of Governors.
9. To undertake non-executive oversight of the systems and procedures, including IT systems, in place within the University for securing the effective and efficient use of resources including value for money, the solvency of the University and for safeguarding its assets.
10. To receive and review sources of assurances from across the institution as required, as well as to request and procure such assurances where needed.
11. To monitor and advise the Board of Governors on arrangements within the University for compliance with legal and statutory requirements.
12. To monitor and advise the Board of Governors on their compliance as trustees with charities legislation and the requirements of the OfS as Principal Regulator.

13. To monitor and advise the Board of Governors regarding compliance with the Guide issued by the Committee of University Chairmen and any other guidance issued by the OfS, any other relevant government department or other external bodies from time to time.
14. To oversee policy and receive reports on any incidences of fraud or other similar irregularities, including those classed as 'serious incidents' under charities legislation.
15. To oversee policy and receive reports of any matters raised under the University's whistle blowing procedures (Public Interest Disclosure).
16. To oversee and monitor the process for consideration of issues under the Corporate Ethics Policy.

Composition

Six Members, consisting entirely of persons with no executive responsibility for the management of the institution, not serving concurrently on the Finance, Estates and IT Committee, at least one of whom should have a background in finance. This may include up to two co-opted committee members who are not Governors of the University.

The Chair of the Board shall not be a member of the Committee.

In Attendance

Clerk to the Board of Governors

Deputy Clerk to the Board of Governors (or nominee)

Director of Finance

Representatives of internal and external auditors

Those others as are required to assist with the business of the meeting, by invitation.

Minimum number of members that must be present to constitute a valid meeting (Quorum):

3 members, 2 of whom must be independent governors.

Frequency of meetings:

At least three per year