

AUDIT, RISK AND ASSURANCE COMMITTEE TERMS OF REFERENCE

Purpose

The Audit, Risk and Assurance Committee is responsible to the Board of Governors for the strategy and scope of audit activity and ensuring effective systems of control are in place across the University's activities. This includes financial and operational controls, risk management, legal and regulatory compliance, and value for money, promoting economy, efficiency and effectiveness on behalf of the Board. It receives reports from university officers and internal and external auditors and takes non-executive action where required.

The Committee undertakes the duties set out by the Office for Students (OfS) in its model terms of reference and the audit code of practice.

The Committee operates in line with the University Values: Ambitious, Inclusive, Innovative, Collaborative, Enterprising.

Terms of Reference

1. To oversee the strategy, scope and nature of audit activity.
 - i) To exercise authority delegated by the Board of Governors in:
 - Appointing internal and external auditors (Article 14.2);
 - Taking non-executive action on matters arising from internal and external auditors' reports as appropriate and as required.
 - ii) To monitor 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.
 - iii) 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.
2. To oversee and monitor the University's risk management and business continuity arrangements, controls, governance and related procedures and policies.
3. To consider the annual financial statements, including the external auditors' formal opinion and management letter, the statement of members' responsibilities and the statement of internal control, in accordance with the regulator's direction.
4. 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.
5. To monitor and advise the Board of Governors on arrangements within the University for compliance with legal and statutory requirements, including:
 - i) 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.

- ii) To monitor and advise the Board of Governors regarding compliance with codes and guidance issued by the Committee of University Chairs and the OfS, any other relevant government departments or other external bodies as within the remit of the Committee.
 - iii) To oversee policy and receive reports on any incidences of fraud or other similar irregularities, including those classed as 'serious incidents' under charities legislation. (N.B. In such cases of reported instances of fraud, the Chair of the Committee would be notified by either the Chair of Governors or the Vice-Chancellor and would then determine whether the report should be communicated to the Committee).
 - iv) To oversee policy and receive reports of any matters raised under the University's whistle blowing procedures (Public Interest Disclosure).
 - v) To monitor litigations against the University and any matters raised through those considerations.
6. To receive and review sources of assurances from across the institution as required, as well as to request and procure such assurances where needed.
7. To ensure the Committee draw on a diversity of voices as appropriate in the consideration of recommendations.
8. To prepare an annual report for submission to the Board of Governors.

Composition

Six Members, consisting entirely of persons with no executive responsibility for the management of the institution, 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.

Only one Member may serve concurrently on the Finance, Estates and IT Committee,

The Chair of the Board and the Chair of the Finance, Estates and IT Committee 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)

Chief Financial Officer

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):

Three members, of whom two must be independent governors.

Frequency of meetings:

At least three per year.

Approved by the Board of Governors at its meeting on **24 September 2024**.