AUDIT COMMITTEE

CONSTITUTION – UPDATED 17.01.2024

Constitution

The Council has established a Committee of the governing body known as the Audit Committee. The Committee shall have no executive authority except with regards to those matters specifically referenced in these Terms of Reference.

Terms of Reference

1. To keep under review the effectiveness of the risk management, culture and behaviour, control and governance arrangements of the University and its related companies, including arrangements for securing compliance with statutory and regulatory obligations by:

    a) reviewing the nature and scope of the external audit plans in so far as these relate to the other terms of reference of the Audit Committee;

    b) approving the internal audit strategy and audit plan, and advising the Council on whether the resources made available to internal audit are sufficient;

    c) considering and commenting on summaries of individual audit reports and advising the Council as necessary;

    d) monitoring the implementation of agreed audit-based recommendations, from whatever source;

    e) ensuring that all significant losses have been properly investigated and that internal and external auditors, and where appropriate, the Office for Students (OfS) has been informed;

    f) monitoring the institution's policies on anti-fraud, bribery and corruption; whistleblowing, anti-money laundering and conflicts of interest including being notified of any action taken under that policy;

    g) monitoring the institution's policy on risk management, the institutional risk register and changes in the institution's risk profile;

    h) initiating investigations on any matter within its term of reference;

    i) reviewing the Chief Auditor's annual report; and

    j) monitoring the range of other assurances, both internal and external, in place and operating within the institution, and where appropriate requiring substantive reports on the outcome of such assurances in support of the committee's own annual opinion to the Council.

2. To satisfy itself and assure the Council, drawing upon a range of assurances, that satisfactory arrangements are in place to promote value for money and to manage and quality assure data submitted to HESA, the OfS, the Student Loans Company (SLC) and other funding bodies.

3. To review the University's accounting policies and to recommend to the Council their approval for use throughout the University and its subsidiary undertakings.

4. To review and recommend to the Council for approval the annual consolidated financial statements of the University and its subsidiary undertakings, including consideration of the external auditors' management letter and management responses to the external auditors' management letter.

5. To report annually to the Council and to the Vice-Chancellor as designated office holder on:
   a) the adequacy and effectiveness of the University's arrangements for governance,
   b) risk management,
   c) internal control,
   d) economy and efficiency and effectiveness
   e) and the management and quality assurance of data,
   f) any issues of significance arising up to the date of reporting.

6. To approve the terms of reference of internal audit.

7. To consider and advise on the appointment of the internal audit service, the audit fee, the provision of any non-audit services by the internal auditors and any question of their resignation or dismissal (if the internal audit service is provided externally).

8. To consider and question a resignation or dismissal of the Chief Auditor to ensure that this had not occurred in abnormal circumstances.

9. To consider for recommendation to the Council the appointment of the external auditor, the audit fee, the provision of any non-audit services by the external auditor and any questions of resignation or dismissal of the external auditor.

10. To monitor the performance and effectiveness of the external and internal audit, including any matters affecting their objectivity, and to make recommendations to Council concerning their reappointment, where appropriate.

11. To complete an annual self-evaluation exercise.

12. To call upon the University to make funds available so that the Audit Committee may take independent external advice, if required, to undertake its responsibilities but on the basis that no budgetary provision should be necessary for this facility.

Membership

1. Three lay members of the Council, appointed by the Council, not being officers of the University or members of the Finance Committee, of whom one is appointed as Chair by the Council.

2. At least one and not more than four external co-opted members with particular expertise, appointed by the Council on the recommendation of the Governance and Nominations Committee after consultation with the Audit Committee.

3. There shall be no joint memberships between the Audit Committee and the Finance Committee.

In Attendance

4. The Vice-Chancellor

5. The University Secretary

6. The Chief Financial Officer

7. The Chief Auditor

Secretary

Notes on Membership

1. At least one member of the Committee should have a background in finance, auditing or accounting.

2. External members should have experience in audit, finance and/or senior management.

3. The Committee will be quorate provided three members are present at the meeting, one of whom shall be a lay member of the Council subject to the agreement of the Chair of the Committee if not in attendance.

4. The Vice-Chancellor who constitutionally under the Charter is a member *ex officio* of all the Council and the Senate committees attends by invitation.

5. Committee members should not have significant interests in the University and to demonstrate this they are required to update their entry in the Register of Members' Interests.

6. The Chief Auditor and other officers as agreed by the Chair in consultation with the Secretary should attend the Committee and its servicing shall be provided by the Governance Team. The external auditors shall normally be invited to attend the meetings of the Committee. The Committee will, at least once a year, meet with the external auditors and with the Chief Auditor, without any officers present.

7. Co-opted members of the Committee should be treated in the same manner as full Council members and receive the same information flows.

Appointment, Resignation and Dismissal of the Chief Auditor

1. In the event of the resignation of the Chief Auditor, he/she will provide a written statement to the Committee setting out the reasons for the resignation.

2. In the event of consideration of the dismissal of the Chief Auditor, the University Secretary shall:

   (a) prior to the dismissal, inform the Chair of the Committee of the reasons for dismissal being considered.

   (b) following any decision to dismiss, inform the Committee in writing of the process followed and the reasons for dismissal.

3. The Committee may initiate such other investigations into the departure of the Chief Auditor as it deems appropriate.

4. At least one member of the Committee, normally the Chair, shall be a member of the selection panel for the Chief Auditor.

Mode of Operation

1. The Committee shall meet at least twice a year and normally four times a year and reports of each meeting will be made to the Council.

2. The external auditors or Chief Auditor may request a meeting of the Committee if they consider one is necessary.

3. The Chair of the Audit Committee will provide final clearance for the minutes of the Audit Committee.

AUDIT COMMITTEE

MEMBERSHIP LIST – UPDATED 08.06.2026

1. Three lay members of the Council, appointed by the Council, not being officers of the University or members of the Finance Committee, of whom one is appointed as Chair by the Council.

Angela McMullen, Chair	to 31.07.2029
Nikki Humphrey	to 31.07.2027
Vacancy	

2. At least one and not more than four external co-opted members with particular expertise, appointed by the Council on the recommendation the Governance and Nominations Committee after consultation with the Audit Committee.

Ahmer Huda	to 31.07.2026
Vacancy	
Vacancy	

3. There shall be no joint memberships between the Audit Committee and the Finance Committee.

In Attendance

4. The Vice-Chancellor

   Professor Dave Phoenix

5. The University Secretary

   Dave Hall

6. The Chief Financial Officer

   Paul Traynor

7. The Chief Auditor

   Stuart Kemp

Secretary: Liza Ellis