



**BOARD OF GOVERNORS**  
**COMMITTEE TERMS OF REFERENCE 2019-20**

Terms of reference of the Audit Committee		
Senior Committee		The Board of Governors
Officers	Chair	John Finnigan
	Convenor and Minutes Secretary	Clerk to the Governors - Fiona Bagchi
	Vice-chair	David Reid
	In attendance	Vice-Chancellor, Pro-Vice-Chancellor Assurance & Director of Finance. The head of internal audit and a representative of the external auditors shall normally attend meetings where business relevant to them is to be discussed. At least once a year the Committee should meet with the external and internal auditors without any officers present.
	Members	5 members David Bagley, Patsy Cullen, John Finnigan, David Reid, Liam Fox (external co-opted member).  Members should not have significant interests in or executive responsibility for the management of the University. The Chair of Governors should not be a member of the Committee. At least one member should have recent relevant experience in finance, accounting or auditing.
Type of minutes		Full
Destination of minutes		The Board of Governors, members & website (non-confidential minutes)
Quorum		2 members
Frequency of meetings		Minimum 4 per year. The external auditors or head of internal audit may request a meeting if they consider it necessary.
Terms of Reference and Delegated Powers		
The Audit Committee is authorised by the Board of Governors to:		
A. Investigate any activity within its terms of reference; seek any information it		

requires from any employee, and all employees are directed to co-operate with any request made by the Committee; obtain outside legal or other independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary, normally in consultation with the Vice-Chancellor and/or Chair of Governors.

- B. Commission professional advice, to a maximum of £2,000 on each occasion. The use of this power must be reported to the next Board of Governors' meeting (*Delegated Power*).

C. The Audit Committee shall be responsible for:

- a) Advising 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.
- b) Discussing with the external auditors, before the audit begins, the nature and scope of the audit
- c) Discussing with the external auditors problems and reservations arising from the 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).
- d) Considering and advising 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.
- e) Reviewing the internal auditors' audit risk assessment, strategy and programme; consider major findings of internal audit investigations and management's response; and promoting co-ordination between the internal and external auditors. Ensuring that the resources made available for internal audit are sufficient to meet the institution's needs (or making a recommendation to the Board of Governors as appropriate)
- f) Keeping under review the effectiveness of the risk management, control and governance arrangements, and in particular reviewing the external auditors' management letter, the internal auditors' annual report, and management responses
- g) Assuring the Board of Governors about the adequacy and effectiveness of the management and quality assurance of data submitted to HESA, OfS and other regulatory or funding bodies
- h) Monitoring the implementation of agreed audit-based recommendations, from whatever source
- i) Ensuring that all significant losses have been properly investigated and that the internal and external auditors, and where appropriate the funding council's accounting officer, have been informed
- j) Overseeing the institution's policy on fraud, bribery, corruption and irregularities and its policy on whistleblowing, including being notified of any action taken under these policies
- k) Satisfying itself that suitable arrangements are in place to promote economy, efficiency and effectiveness
- l) Receiving any relevant reports from the National Audit Office (NAO) and its equivalents in Scotland, Wales and Northern Ireland, the funding councils and other organisations
- m) Monitoring annually the performance and effectiveness of the external and internal auditors, including any matters affecting their objectivity, and making recommendations to the Board of Governors concerning their reappointment, where appropriate.
- n) Considering 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 councils' accounts directions.

- o) Considering any relevant issue raised in the external auditors' management letter, confirming with the internal and external auditors that the effectiveness of the internal control system has been reviewed, and commenting on this in its annual report to the Board of Governors.
- p) Preparing an annual report addressed to the Vice-Chancellor and Board of Governors covering the institution's financial year and any significant issues up to the date of preparing the report, summarising activity for the year, giving the Committee's opinion of the adequacy and effectiveness of the institution's arrangements for the following: risk management, control and governance; economy, efficiency and effectiveness (value for money); the management and quality assurance of data submitted to HESA, OfS and other regulatory or funding bodies. Basing the opinion in the Committee's annual report on the information presented to the Committee and normally submitting the report to the Board of Governors before the members' responsibility statement in the annual financial statements is signed.
- q) Recommending the annual financial statements to the Board of Governors for approval.
- r) Reviewing and approving the University's Annual Transparent Approach to Costing and TRAC(T) returns.
- s) Ensuring, in the event of the merger or dissolution of the institution, that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed.

Approved by the Board of Governors, 17<sup>th</sup> September 2014.

Revised and approved 14<sup>th</sup> October 2015, 11<sup>th</sup> October 2017 and 10<sup>th</sup> October 2018.

Membership list updated 17<sup>th</sup> September 2014, 14<sup>th</sup> October 2015, 12<sup>th</sup> October 2016,  
11<sup>th</sup> October 2017, 28<sup>th</sup> November 2017, 25<sup>th</sup> April 2018 and 9<sup>th</sup> October 2019.

Terms of reference of the Remuneration Committee	
Senior Committee	The Board of Governors
Officers	Chair
	David Reid
	Committee Clerk
	Clerk to the Board of Governors - <i>but see also section f) below concerning conflicts of interest.</i>
	Vice-Chair
	John Finnigan
	Members
	4 <i>ex officio</i> members: Chris Clements (Chair of the Board of Governors), John Finnigan (Deputy Chair of the Board of Governors), David Reid (Vice-Chair of the Audit Committee), Anj Handa (Chair of the Search & Nominations Committee, appointed 9 October 2019). 1 external co-opted Committee member who has expertise in remuneration matters at a senior level: Sandra Heidinger.
	Membership & office-holder exclusions &/or variations
	1) Student and Staff Governors, including the Vice Chancellor, may not be members of the Remuneration Committee. 2) The Chair of the Board of Governors may not serve as the Chair of the Remuneration Committee. 3) Variation of <i>ex officio</i> membership of the Remuneration Committee: where the Chair of the Audit Committee and/or the Chair of the Search & Nominations Committee is also either the Chair or the Deputy Chair of the Board of Governors, the Vice-Chair of the relevant Committee will serve on the Remuneration Committee.
Type of minutes	Full
Destination of minutes	All members of the Board of Governors, excluding student & staff members other than the Vice-Chancellor.
Quorum	3 members.
Frequency of meetings	Minimum 2 per year
Staff in attendance at meetings	1) The Vice Chancellor will attend meetings of the Committee at the invitation of the Committee to present reports and provide advice - <i>but see also section f) below concerning conflicts of interest.</i> 2) The Head of Human Resources will attend meetings of the Committee to present reports

and provide advice.

### Terms of Reference and Delegated Powers

- a) To determine and review the salaries, terms and conditions and, where appropriate, severance payments, on behalf of the Board of Governors, of designated senior post holders. The following posts have been designated as senior post-holders by the Board of Governors: the Vice-Chancellor, the Pro-Vice-Chancellor Assurance and Director of Finance, the Pro-Vice-Chancellor Student Experience and Resources, the Pro-Vice-Chancellor Academic, and the Clerk to the Board of Governors.
- b) When undertaking the review of designated senior post-holder salaries, to follow the criteria and procedure agreed by the Board of Governors, which will include a review of comparative information on salaries and other benefits and conditions of service in the higher education sector.
- c) In considering any severance arrangements for designated senior post-holders, the Remuneration Committee must represent the public interest, avoid any inappropriate use of public funds and, where appropriate, take account of any guidance issued by the University's funding or other regulatory body.
- d) To consider requests made by senior post-holders or prospective senior post-holders under the University's senior post-holder discretionary policy on salary supplements in lieu of pension contributions, noting that where any such supplement is offered or granted it must be on a cost neutral basis as defined in the policy.
- e) When reporting on its decisions to the Board of Governors, the Remuneration Committee should ensure that its reports provide sufficient detail of the broad criteria and policies against which their decisions have been made.
- f) In line with the Board of Governors' standing orders, including its policy on conflicts of interest, the Vice Chancellor and Clerk will not remain in attendance at any part of a Remuneration Committee meeting at which their own pay or conditions are under discussion or at which the pay and conditions of any related party are under discussion. The Vice Chancellor and Clerk may, however, remain in attendance where the pay and conditions of senior post-holders as a class are under discussion. In the absence of the Clerk, minutes will be taken by a member of the Committee.
- g) To undertake an annual review of the Board of Governors' procedure for determining senior post-holder salaries and to make recommendations on any revisions required.
- h) To undertake an annual review of senior post-holder HR policies and procedures, approving any revisions required.
- i) To undertake an annual review of the University's senior post-holder discretionary policy on salary supplements in lieu of pension contributions, approving any revisions required.
- j) To make an Annual Report to the Board of Governors on how the Committee has discharged its responsibilities during the year past and to include in this report such information as is required by the Office for Students, any other relevant regulatory body and best practice guidance as set out in the CUC Remuneration Code.
- k) To receive and consider an annual report providing assurance that the expenses scheme applicable to senior post-holders is operating effectively.

Note

It should be noted that, under the Articles of Government, the Board of Governors is not permitted to delegate the following: Article 4.3.4 - the appointment of the Vice Chancellor, the Clerk and of the holder of any other designated senior post; Articles 4.4.1 & 4.4.2 - the consideration of the case for dismissal, and the power to determine an appeal in connection with the dismissal of the Vice Chancellor, the Clerk or the holder of a senior post, other than to a committee of members of the Board of Governors.

Approved by the Board of Governors, 27<sup>th</sup> November 2013.  
Revised and approved 11<sup>th</sup> October 2017, 24<sup>th</sup> January 2018.  
Membership list updated 12<sup>th</sup> October 2016, 11<sup>th</sup> October 2017, 24<sup>th</sup> January 2018,  
1<sup>st</sup> May 2019 and 9<sup>th</sup> October 2019.

Terms of reference of the Search & Nominations Committee		
Senior Committee		The Board of Governors
Officers	Chair	Anj Handa
	Convenor and Minutes Secretary	Clerk to the Governors - Fiona Bagchi
	Vice-chair	<i>(To be elected)</i>
	Members	5 members: John Finnigan (Deputy Chair of Governors), Clare Pickles, Simone Wonnacott (Vice-Chancellor), Anj Handa, Chris Clements (Chair of Governors)
Type of minutes		Full
Destination of minutes		The Board of Governors, members & website (non-confidential minutes)
Quorum		3 members
Frequency of meetings		Minimum 2 per year
Terms of Reference and Delegated Powers		
a)	the production of a template of skills required amongst Board of Governors membership in order for the Board of Governors to fulfil its functions as specified in Article 3 of the Instrument & Articles of Government, and for the review of that template at least annually and each time the Committee considers Independent and Co-opted vacancies, other than vacancies for student and staff members;	
b)	the conduct of a regular skills audit amongst Board of Governors membership, measured against the approved template, with subsequent report to the Board of Governors concerning any apparent skills deficit;	
c)	recruitment of potential members, having regard to the skills profile of the Board of Governors (other than staff and student members and the Vice-Chancellor), with recommendations to the Board of Governors for the appointment of the same;	
d)	general oversight of the election processes for the appointment of staff and student members, and ensuring that such elected members are eligible to be appointed under the Standing Orders of the Board of Governors;	
e)	making recommendations to the Board of Governors on all Governor appointments and on policy matters concerning Board of Governors membership, with particular reference to Governor membership issues in the Instrument & Articles of Government and the determination by the Board of the composition of the Board of Governors;	
f)	approving, under delegated power from the Board's Governors, documents relating to the recruitment and appointment of Governors e.g. Governor recruitment and appointment procedures, Governor person specification, information on being a Governor and Governor role description and the Governor	

eligibility statement form;

- g) reviewing and making recommendations to Board of Governors on governance arrangements;
- h) to agree and review in-house Governor development, training arrangements for Governors and any targets for Governor attendance at external Governor development or training events, and to review Governor induction arrangements.

Approved by the Board of Governors, 17<sup>th</sup> October 2012. Revised 11<sup>th</sup> October 2017.  
Membership list updated 22<sup>nd</sup> January 2014, 14<sup>th</sup> October 2015, 12<sup>th</sup> October 2016,  
11<sup>th</sup> October 2017, 24<sup>th</sup> January 2018, and 10<sup>th</sup> October 2018.