



DE MONTFORT UNIVERSITY

BOARD OF GOVERNORS – AUDIT AND RISK COMMITTEE CONSTITUTION

A Scope and purpose of the committee

The Committee of University Chairs' (CUC) Higher Education (HE) Code of Governance control and risk, efficiency and effectiveness and fast

Decisions, actions and recommendations will be in full compliance with the CUC HE Code of Governance, the CUC HE Audit Committees Code of Practice, the OfS Audit Code of Practice, all other statutory requirements, provisions of the university's Instrument and Articles of Government, and the requirements of, and obligations to, the regulator and all other relevant bodies.

In conducting its business, the committee should inform other subcommittees (and the board) of matters appropriate to their remit. The committee is responsible for identifying matters of potential ethical concern or activity that may lead to material adverse reputational risk to the university, and escalating such matters to the Board of Governors, as appropriate, in line with the university's Scheme of Delegation.

Additional guidance on the interpretation of these terms of reference should be sought from the Registrar (Academic)/ Secretary to the Board of Governors.

B Terms of reference

The committee will:

1. Consider, on behalf of, the board on the appointment, the terms of engagement, the audit fee and any questions of the resignation or dismissal of both the internal and external auditors.
2. Monitor annually the performance and effectiveness of the university's internal and external auditors, and make decisions on behalf of the board concerning their re-appointment, when appropriate, and promote co-ordination

4. Approve, prior to the commencement, the nature and scope of the internal and external auditors' respective plans, ensuring that the resources made available for internal and external audit are sufficient to meet the institution's needs.
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18. Gain assurance that satisfactory arrangements are in place for the handling of student complaints.
19. Receive any relevant reports from those bodies from whom the university obtains external assurance such as the National Audit Office, the OfS and such other organisations as may be relevant in this context, and will consider and advise the board as appropriate.
20. Ensure that there is an effective risk register and risk management system, which together provide a clear and consistent approach to risk management, and that the risk register provides a framework that results in all significant, actual or potential risks being recognised, assessed and managed.
21. Ensure that there are effective procedures in place for the management of whistleblowing disclosures and receive regular reports on the status and nature of such disclosures.
22. Ensure that there are effective procedures in place for the production of the annual

D Membership

Members shall be drawn from independent governors of the board to serve on this committee. There shall be no fewer than three members and such members must have no executive responsibility for the management of the institution. The Chair of the Board of Governors shall not be a member of the committee and no member of the committee should also be a member of the Finance and Performance Committee. If the Board of Governors determines that cross-representation involving one member is essential, this should be the subject of an explicit, recorded resolution, which sets out the rationale for such a decision – but it should not be an option for the chair of either committee or the Chair of the Board.

The Chair shall be an independent governor, be elected annually by the Board of Governors, and have a casting vote.

Members of the committee should be independent should not have significant interests in the institution.

At least one member of the committee should have a background in finance, accounting or auditing. The committee may, if it considers it necessary or desirable, co-opt members with particular expertise.

E Attendance at meetings

Attendees at meetings shall be:

1. Vice-Chancellor;
2. Executive Director of Finance and Procurement;
3. Registrar (Academic) and Secretary to the Board of Governors;
4. Internal audit partner; and
5. External audit partner.

The attendance of any other person at meetings of the Audit and Risk Committee requires the approval of the Chair of the Audit and Risk Committee.

F Quorum

A quorum is two independent members.

G Servicing and

provided to the board by the committee chair. Any items requiring Board of Governors' approval in the terms of the Scheme of Delegation will be presented for its consideration.

An annual report of the committee's meetings held in each financial year must be made to the Board of Governors, usually at the November board meeting, which will, following approval by the board, be submitted to the OfS. The report must cover the financial year and include any significant issues up to the date of preparation of the report. It will give the committee's opinion on the extent to which the Board of Governors may rely on the risk management control and governance systems and the arrangements for securing economy, efficiency and effectiveness. This opinion should be based upon the information presented to the committee. The Audit and Risk Committee annual report should normally be submitted to the Board of Governors before the members' responsibility statement in the annual financial statements is signed. The reports must be submitted to the OfS according to the timetable to be published annually.

J Sub-committees

None.

K Approval and revision

This constitution will be reviewed and re-approved by the committee at its final meeting of every academic year in preparation for the forthcoming year, or sooner, if significant amendments are required.

L In-year revision record

Section	Details of revision	Approved on

Approved: 10 June 2024

Endorsed by parent committee: 4 July 2024