

APPENDIX TO MINUTE NO 87

AUDIT COMMITTEE

- Remit*
1. AUDIT
 - 1.1 To provide the University Court with advice on the Internal and External auditors' assessment of the effectiveness of the University's financial and other internal control systems, including controls specifically to prevent and detect fraud or other irregularities as well as those for securing economy, efficiency and effectiveness.
 - 1.2 To advise the Court on its compliance with corporate governance requirements and good practice guidance, and to review the University's Statement of Corporate Governance.
 - 1.3 To advise the Court on compliance with the Code of Audit Practice as laid down by the Funding Council and with the University Code of Audit Practice.
 - 1.4 To examine and report on any matters referred to it by Court, making recommendations as may be appropriate.
 - 1.5 To produce an annual report to the Court.
 - 1.6 To review reported cases of impropriety to establish whether they have been appropriately handled.
 - 2 INTERNAL AUDIT
 - 2.1 To advise the Court on the terms of reference for the internal audit service.
 - 2.2 To advise the Court on, the criteria for selection, appointment, or reappointment and remuneration, or removal of the internal audit provider.
 - 2.3 To review the scope, efficiency and effectiveness of internal audit considering the adequacy of the resourcing of internal audit and advising the University Court on these matters.
 - 2.4 To ensure compliance with recommendations made by the Auditors reviewing the IAS's monitoring of management action on the implementation of recommendations reported in internal audit assignment reports and internal audit annual reports.
 - 2.5 To consider salient issues arising from internal audit assignment reports, progress reports and management' response thereto and informing the University Court thereof.
 - 2.6 To advise the University Court of the Committee's approval of the basis for and the results of the internal audit needs assessment and the strategic and operational planning processes.
 - 2.7 To approve the criteria for grading recommendations in assignment reports as proposed by the Head of the Internal Audit Service.
 - 2.8 To inform the University Court of the Committee's approval of the internal audit service' annual Report.

- 2.9 To respond appropriately to notification of fraud or other improprieties received from the Head of the IAS or other persons.
- 2.10 To monitor the effectiveness of the IAS and the external audit provision.
- 2.11 To ensure and monitor appropriate liaison and co-ordination between internal and external audit and between the Committee.

3 EXTERNAL AUDIT

- 3.1 To advise the Court on the selection, appointment, annual reappointment and remuneration, or removal of the external audit provider, and the scope of their work.
- 3.2 To review the external auditor's Management Letter and to monitor management's action on the implementation of the agreed recommendations contained therein.
- 3.3 To consider the institution's annual financial statements and the external auditors' report prior to submission to the Court.
- 3.4 To advise the Court of salient issues arising from the external auditor's management letter and any other external audit reports, and of management's response thereto
- 3.5 To review the external audit strategy and plan.
- 3.6. To consider the objectives and scope of any non-statutory audit work undertaken by the external auditor's firm and advising the University Court of any potential conflict of interest.

4 VALUE FOR MONEY (VFM)

- 4.1 To advise the Court on a programme of Value for Money (VFM) reviews and to provide guidance on the most appropriate agents to undertake individual assignments.
- 4.2 To establish and oversee a review process for evaluating the effectiveness of the University's VFM arrangements for securing the economical, efficient and effective management of the institutions resources and the promotion of best practice and protocols, arising from internal and relevant external VFM studies of best practice, and the reporting to the University Court thereon.

5 OTHER

- 5.1 To review and advise the University Court of relevant reports from the Council and NAO and successor bodies and, where appropriate, management's response thereto.

REMUNERATION COMMITTEE

- Remit*
- (i) To advise the Court on matters relating to the pay and conditions of senior staff;
 - (ii) To seek comparative information on salaries and other emoluments and conditions of service in the university sector;
 - (iii) To determine and review the salaries, terms and conditions of the Principal, Vice-Principals, Deans, the University Secretary, Professorial and Grade 6 officers and such other staff as the University Court may from time to time determine;
 - (iv) to ensure that the performance of the Principal as head of the institution is assessed on an annual basis.
 - (v) To oversee severance arrangements for senior staff and ensure that account is taken of the *SHEFC Guidance on Severance Arrangements in respect of Senior Staff*; where consideration of severance arrangements is delegated, to ensure that the boundaries of delegated authority is clear, and to receive formal reports of any severance arrangements