

Audit and Risk Committee

Reports to	Board of Trustees
Frequency of meetings	Three or Four per year

Membership

Chair	Appointed from the Board of Trustee members for a period of two years, renewable	Mr. Marc Leppard
Members	Three members of the Board of Trustees	Mr. Martin Hitchin Professor Nicholas Lieven Mr. Stephen Heidari-Robinson
Co-opted members	Additional specialist members (who may be other Board members with the requisite skills) may be co-opted for one year, renewable for one additional year and exceptionally (to a maximum of one co-opted member) for one further additional year	Professor Clare Milsom Ms. Jane Karpinski
In Attendance Ex Officio	The Chief Executive Officer, NMITE The Chief Operating Officer, NMITE The Director of Finance, NMITE The Head of Strategic Planning, NMITE	
	Internal Auditors (where business relevant to them is being discussed) External Auditors (where business relevant to them is being discussed)	
Secretary	The Clerk to the Board of Trustees	

Meeting and Membership Protocols

- The Chair of the Board of Trustees may not be a member of the Audit and Risk Committee (*ARC*)
- No member of the ARC may also be a member of the Finance and Resources Committee
- No more than one member of any other Board committee may also be a member of the ARC (and never as Chair of the ARC)
- Members must have no executive responsibility for the management of NMITE
- At least one member should have a background in finance, accounting, or auditing
- The committee will normally meet three or four times a year, the final meeting of the year to be scheduled at a time in October/ November to consider NMITE's financial statements and prepare the ARC's annual report to the Board of Trustees.
- The ARC also has responsibility for seeking assurance on matters of academic governance and quality

Quorum

The quorum shall be 50% of the committee membership, including a minimum of two Trustees.

Terms of Reference

External Audit

- a To advise the Board of Trustees 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 To discuss, if necessary, with the external auditors, before the audit begins, the nature and scope of the audit.
- c To discuss with the external auditors problems and reservations arising from the interim and 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).

Internal Audit

- d** To consider and advise the Board of Trustees on the appointment and terms of engagement of the internal audit service, 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** To review the nature and scope of internal auditors' audit plan; to consider major findings of internal audit investigations and management's response; to monitor the implementation of agreed audit-based recommendations, to promote co-ordination between the internal and external auditors and to discuss with the internal auditors any problems and reservations arising from their audit.

Risk Management, Governance & Control

- f** To monitor and review the effectiveness of risk management and control of all NMITE's activities and those which would apply upon NMITE's registration with the OfS and its entry into a validation agreement with a validating body.
- g** To undertake regular reviews of the effectiveness of academic governance arrangements in previous years.
- h** To prepare an annual report on academic governance for review and approval by the Board.
- i** To scrutinise the Academic Council's proposed action plans in respect of the outcomes arising from such Quality and Standard Reviews undertaken by the Quality Assurance Agency on behalf of the OfS.
- j** To review the performance and effectiveness of the external and internal auditors annually, making recommendations to the governing body as to their reappointment.
- k** To review each quarterly assurance report and the management responses, and the internal auditors' annual report and management responses.

- l** To ensure that all significant losses have been properly investigated and that the internal and external auditors have been informed.
- m** To ensure that satisfactory arrangements are in place to promote economy, efficiency, and effectiveness.
- n** To keep the quality and accuracy of data submitted on behalf of NMITE to external agencies under review.
- o** To exercise oversight regarding NMITE's compliance with the General Data Protection Regulation (GDPR).
- p** To oversee NMITE's Corruption & Anti-Bribery Policy and Whistleblowing Policy
- q** To review regularly NMITE's insurance arrangements for assets, people, and business risks.
- r** To prepare an annual report covering the institution's financial year and any significant issues up to the date of preparing the report, addressed to the Board of Trustees, summarising the activity for the year.
- s** In the event of a merger or dissolution of NMITE, to ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed.

Remuneration Committee

Reports to	Board of Trustees
Minutes	Confidential (not published)
Frequency of meetings	3 meetings per annum

Membership

Chair	Vice-Chair of the Board	Martin Hitchin
Co-options	<p>The Committee is authorised by the Board of Trustees to obtain external professional advice if it considers this necessary.</p> <p>Additional specialist members (who may be other Board members with the requisite skills) may be co-opted for one year, renewable for one additional year and exceptionally (to a maximum of one co-opted member) for one further additional year.</p>	Christian Morgan-Jones
Members	<p>The Chair of the Board</p> <p>The Chair of Finance and Resources Committee</p> <p>One independent member of the Board of Trustees, nominated by the Nominations Committee</p>	<p>Terence Jagger</p> <p>Jon Gorringe</p> <p>Dr Wendy Finlay</p>
In Attendance Ex Officio	The Director of Human Resources	
Secretary	The Institutional Company Secretary	

Meeting Protocols

1. Papers for the Remuneration Committee shall be commercially confidential to members and attendees unless specifically designated for release.

2. Minutes of the Remuneration Committee shall be commercially confidential to members and attendees and a report on relevant business transacted shall be made to the Board of Trustees by the Chair of Remuneration Committee as appropriate. The minutes of the Committee will be confidential and will not be accessible to the Board members, except with the approval of the Chair. The minutes are exempt from disclosure under the Freedom of Information Act (section 40).

Quorum

The *quorum* necessary for the transaction of business shall be three members, two of whom must be independent non-executive directors.

Terms of Reference

Senior Post Holders' Remuneration

- a To ensure NMiTE has a clear policy on senior staff remuneration (Band G and above) and associated procedures approved by the Board, which clearly aligns to NMiTE's strategic plan, and is aligned to NMiTE's commitment to equality and diversity. The policy should address the remuneration, benefits and terms and conditions of those designated as senior post holders taking account of affordability, equality of pay issues, comparative information on the remuneration, benefits and conditions of employment in the Higher Education sector and elsewhere as appropriate.
- b To determine and oversee on behalf of the Board terms for those designated as senior post holders in accordance with NMiTE's policy on appointment, salary, benefits in kind, pension provisions, terms and conditions, performance, dismissal, severance or redundancy in line with external guidance from regulators.
- c To agree and oversee the annual pay reward applied to those designated as senior post holders.
- d To approve any severance or other payments made to senior staff and staff where salaries are more than £100k, taking into account the public sector pay cap and the CUC Higher Education Senior Staff Remuneration Code.

Other NMITE Staff

- e** To approve NMITE's Remuneration Policy including the Remuneration of Senior Staff.

Other Matters

- f** To endorse the Chief Executive Officer's objectives as proposed by the Chair of the Board and monitor performance against objectives.
- g** To receive interim and end of year reviews of the performance against objectives of the Chief Executive Officer carried out by the Chair of the Board and, of the performance of the senior post holders carried out by the Chief Executive Officer and, to make a confidential report to the Board as appropriate.
- h** To consider and note matters of strategic significance concerning remuneration and other employment matters. This includes the recruitment, promotion and retention of senior staff as well as sector and/or legal aspects of HR practice.
- i** To approve and recommend to the Board the remuneration parameters for the reward package of the Chief Executive Officer when required.
- j** To receive an annual HR report to include recruitment, diversity, overview of disciplinaries and grievances etc.
- k** To receive an annual EDI report from the EDI Committee.

Reporting

- l** To prepare an annual report to the Board of Trustees in line with the CUC HE Remuneration Guidance. The report to be made publicly available and included in the annual Financial Statement.