

Brunel University London

Council Ordinance 5

5.1 Finance Committee

(Revised November 2023)

Membership

There shall be a Finance Committee of the Council with the following membership:

- Chair of Council, ex-officio or his/her nominated representative
- Deputy Chair of Council, ex-officio
- The Vice Chancellor and President, ex-officio
- At least three and no more than five other independent members of Council (one as Chair/Chairman of the Committee)
- At least one and no more than four members of the senior staff of the University as appointed to Council in accordance with the Ordinances
- One student member of Council
- Up to two persons may be co-opted members, all of whom shall be independent of the University.

Officers in Attendance:

- Chief Finance Officer
- The Deputy Director of Finance
- Head of Financial Accounting

Period of Office

The members of the Committee, other than the ex-officio members, shall serve for a period of not more than four years and are eligible for reappointment, subject to their remaining term of office on Council. Membership of committees is always subject to review by the Governance and Nominations Committee. The Committee shall appoint a Chair from amongst its member, other than those who are members of the staff or students of the University, who shall hold office for such periods as may be determined by the Council.

Frequency of Meetings

The Committee shall meet at least three times a year.

Quorum

Quoracy is 50% of the Committee's membership and must include a majority of independent members of Council. In the absence of the Chair the independent members of Council present shall appoint one of their number to chair the meeting. In the absence of quorum, no business shall be transacted other than the adjournment of the meeting.

Committee Procedure

The Committee shall regulate its own procedures for the conduct of its meeting.

Powers, Duties & Functions

Subject to the terms of the Charter and Statutes, the Committee shall have the following powers, duties and functions:

1. To regulate the finances, accounts and investments of the University.
2. To annually review the financial strategy of the University setting out the parameters to be taken into account in the development of the annual budget and recommend the strategy to Council for its approval.
3. To review the constituent elements of the annual consolidated budget of the University, including revenue, capital and cash flow forecasts, and make recommendations to Council as to its approval.
4. To authorise capital expenditures, loan-financed schemes, and investments into subsidiaries and associated companies, which are consistent with the approved annual budget in line with Council Ordinance 7 Delegated Authority; those which are not consistent, but have the support of the Committee, should be referred to Council for final approval.
5. To review periodically the effectiveness of the process of formulation, appraisal and management of capital projects.
6. To review interim reports of actual and forecast outturns against the approved budgets, and to draw Council's attention to any materially significant variations in revenues, expenditures (including capital expenditures) and cash flows.
7. To approve the annual budgets of the University's trading activities, self-financing institutes and subsidiary companies and to monitor, as appropriate, the actual and projected outturns.
8. To review the consolidated annual financial statements of the University, including the accounting policies applied, the Going Concern Review, the report of the external auditors and their Management Letter, and to inform Audit and Risk Committee whether there are any issues relevant to their consideration of the financial statements.
9. To review and if satisfied approve proposals from the Executive Board for the use of the University's reserves.
10. To receive and review communications from the OfS which relate to or could impact upon the University's finances and make recommendations to Council in respect of an appropriate and timely response or course of action.
11. To review periodically the performance of the various staff pension schemes to which the University contributes, assess the impact of surpluses or deficits in those schemes on future contributions, make appropriate representations to the managers of those schemes, and report any significant concerns to Council.
12. To consult with the Standing Committee on Pensions as and when required by Council.
13. To periodically review the Financial Regulations to ensure that they are appropriate and maintain financial control and to make recommendations to Council in respect of amending and updating the Financial Regulations accordingly.

14. To review the audited annual accounts of the Union of Brunel Students, to approve its annual budget and to maintain general oversight of its financial health.
15. To recommend to Council the appointment of the University's bankers, investment managers and financial advisors, but not the Auditor or Auditors specified in clause 12 of the Statutes, whose appointment and remuneration shall be fixed by Council on the recommendation of the Audit Committee.
16. To establish as required, and receive reports from, specialist groups competent to advise the Committee on technical matters. Such groups may include persons that are not members of the Finance Committee.
17. To submit the minutes of its meetings to Council together with such other reports as may be appropriate or required.

Clerking Arrangements

The Secretary to Council, or other appropriate individual, will be the Secretary to Finance Committee.

5.2 Audit & Risk Committee

(Revised November 2023)

Membership

Membership should comprise of up to 6 persons with at least four being independent members of Council. Up to two persons may be co-opted members, all of whom shall be independent of the University. No employee of the University may be a member of Audit Committee. The Chair of Council may not be a member of Audit Committee.

Officers in Attendance

The following shall normally attend meetings where business relevant to them is to be discussed:

- The Chief Financial Officer (or equivalent)
- Representatives from the internal auditors
- Representatives from the external auditors

At least once a year the Committee shall meet with the external and internal auditors without any Officers present.

Period of Office

The members of the Committee, other than the ex-officio members, shall serve for a period of not more than four years and are eligible for reappointment, subject to their remaining term of office on Council. Membership of committees is always subject to review by the Governance and Nominations Committee.

The Chair shall be appointed by Council, from the independent members of Council, for a period of up to four years (non-renewable).

Frequency of Meetings

Meetings shall normally be held at least three times each financial year. The external auditors or internal auditors may request a meeting if they consider it necessary.

Quorum

Quoracy is 50% of the Committee's membership and must include at least two independent

members of Council. In the absence of the Chair, the independent members of Council present shall appoint one of their number to chair the meeting. In the absence of a quorum, no business shall be transacted other than the adjournment of the meeting.

Committee Procedure

The Committee shall regulate its own procedures for the conduct of its meetings.

Powers, Duties & Functions

1. To gain assurance that the University's risk management, culture, internal control and governance arrangements are adequate and effective. As part of this, to scrutinise representations made by management, internal auditors' opinions on areas they reviewed, the external auditors' management letter and such other sources of assurance as may be available.
2. To advise on the appointment, remuneration and deployment of the external auditors and to monitor their performance, effectiveness and objectivity.
3. To discuss with the external auditors, before the audit begins, the nature and scope of the audit.
4. To discuss with the external auditors problems and reservations arising from the interim and final audits, including the management letter incorporating management responses, and any other matters the external auditors may wish to discuss (in the absence of Management where necessary).
5. To advise on the appointment, remuneration and deployment of the internal auditors and to monitor their performance, effectiveness and objectivity.
6. To review and approve the internal auditors' audit needs assessment and the audit plan, to consider major findings of internal audit recommendations and Managements response, and promote co-ordination between the internal and external auditors.
7. To monitor the implementation of agreed audit-based recommendations, from whatever source.
8. To ensure that all significant losses, as a result of fraud or other irregularity, have been properly investigated and that the internal and external auditors, and where appropriate the Office for Students (OFS) or other funding body, have been informed.
9. To oversee the University' policy on fraud and irregularity, including being notified of any action taken under that policy.
10. To determine whether the controls in place in respect of the Financial Regulations are being implemented and are effective in practice.
11. To oversee the management and quality assurance processes of data submitted to HESA, OfS and other funding and statutory bodies.
12. To oversee arrangements to promote economy, efficiency and effectiveness, including the University's Value for Money Strategy.
13. To receive any relevant reports from the National Audit Office, the OfS and other organisations.
14. To consider the annual financial statements in the presence of the external auditor and to make recommendations to Council as to their approval. Appropriate reliance will be placed on the Finance Committee's review of the process of drawing up the accounts, accounting principles and their application, financial disclosures and accounts adjustments and financial strategy, planning and performance.
15. To oversee the proper use of public funds in accordance with the Terms and Conditions of Funding of the OFS and Research England, a council within UK Research and Innovation, and in accordance with Funding Agreements between the University and: i. The Student Loan Company; ii. Other regulatory and funding bodies.

Authority

The Committee is authorised by Council to:

- Investigate any activity within its terms of reference. It is authorised to seek out any information it requires from any employee, and all employees are directed to co-operate with any requests made by the Committee.
- To investigate any activity within its terms of reference, seek any information it requires from any employee, obtain outside legal or other independent professional advice of up to £10,000 per annum.

Reporting Procedures

The Committee will prepare an annual report for the University's financial year. The report will be addressed to Council and the Vice-Chancellor as the OFS Accountable Officer, summarising the activity for the year and any significant issues that have arisen up to the date of the report, which affect the opinion referred to below. It will give the committee's opinion on the adequacy and effectiveness of the University's risk management, control and governance arrangements and the arrangements for security economy, efficiency and effectiveness.

Clerking Arrangements

The Secretary to Council, or other appropriate individual, will be the Secretary to Audit and Risk Committee.

5.3 Remuneration Committee

(Revised November 2023)

Membership

The Committee shall comprise:

- The Chair of Council, *ex-officio*
- The Deputy Chair of Council, *ex-officio*
- Up to three, but not less than two, independent members of Council nominated by Council.

The Chair of the Committee, who shall not be the Chair of Council, shall be appointed by Council which will receive a recommendation from the Nominations Committee.

Officers in Attendance

No one other than the members of the Committee is entitled to be present at Committee meetings. The Vice Chancellor and President, as the Head of Institution, has a standing invitation to attend the Committee to provide professional advice for all senior staff pay, including highly paid staff¹, to ensure that the Committee's decisions are well informed.

The Director HR has a standing invitation to attend the Committee to provide input and advice as required.

The Committee may invite other senior officers to cover specific agenda items as it requires in order that its decisions are well informed and are congruent with the extant Brunel University London reward and recognition strategy.

Individual attendees shall not be present when the Committee is discussing their own remuneration, performance, conditions of service or severance arrangements. The Committee may also co-opt independent advisors as members or attendees, subject to the approval of Council.

¹ In this context, highly paid staff are those whose remuneration (excluding pension) is £150,000 or more or pro rata in respect of part time staff.

Period of Office

The members of the Committee, other than the ex-officio members, shall serve for a period of not more than four years and are eligible for reappointment, subject to their remaining term of office on Council. Membership of committees is always subject to review by the Nominations and Governance Committee.

Meetings

The Committee shall meet at least three times per year.

Quorum

Quoracy is 50% of the Committee's membership. In the absence of the Chair the independent members of Council present shall appoint one of their number to chair the meeting. In the absence of a quorum no business shall be transacted other than the adjournment of the meeting.

Purpose

The Remuneration Committees purpose is to apply rigour to and facilitate good governance in decision making regarding remuneration or significant one-off payments, including offers of employment, exit or severance payments and allowances to the University's Senior Leadership Team, as detailed in Annex A, and highly paid staff². The Committee will have regard to the Committee of University Chairs Senior Staff Remuneration Code in the governance and conduct of its business. The Committee also has a wider role which contributes to ensuring Brunel University London's sustainability and the protection of its reputation, which may include consideration of staff other than senior and highly paid staff.

Declarations of Interest

Any member who has a pecuniary, relationship or other personal interest in any matter under discussion at any meeting of the Committee shall disclose that fact to the meeting at the outset and shall, if requested by the Chair, withdraw from that part of the discussion.

Authority

The Committee is authorised by Council to:

- Seek information if required from any employee of the University in order to perform its duties.
- Obtain at the University's expense outside legal or other independent professional advice and to commission or purchase any reports, surveys or information which it deems necessary in order to conduct its duties efficiently and effectively.
- Appoint independent consultants in respect senior staff remuneration at the University's expense.

Powers, Duties & Functions

1. To consider all aspects of the University's reward schemes and remuneration³ policy and to approve the Senior Staff Remuneration Policy including the Senior Leadership Team, as detailed in Annex A, and highly paid staff.
2. Having regard to the policy, and any relevant additional guidance:

² In respect of these Terms of Reference, the term highly-paid staff is deemed to be staff whose remuneration (excluding pension) is £150,000 or more or pro rata in respect of part time staff. It does not include staff remunerated above £150,000 where their remuneration is aligned to an already agreed salary pay scale, such as the clinical academic pay spine.

³ 'Remuneration' refers to the full range of the reward package an individual receives whether in cash or non-cash, including inter alia pay, benefits (including pension contributions of all kinds), allowances and incentives/rewards, recognising that the determination of the affordability of these provisions rests with the Financial Committee and Council. Save in respect of Para 17 below, remuneration does not include expenses and the governance of the Expenses Scheme, which are overseen by Audit Committee.

- Agree and periodically review, the remuneration and conditions of the Vice Chancellor and President, and other senior staff under its remit, and approve severance arrangements for such staff, taking account of the performance of the institution and the individual.
 - Consider the recommendations of the Vice Chancellor and President, determine the remuneration of the Senior Leadership Team and highly paid staff and receive a report from the Vice Chancellor and President on the performance of the Senior Leadership Team (see Annex A for the list of this staff group) and highly paid staff.
3. Approve severance arrangements for members of staff remunerated whose base salary is £150,000 or more.
 4. Approve any severance payment that exceeds £100,000 for any staff member.
 5. Ensure that contracts agreed with senior post holders are fair, reasonable and justifiable and do not expose the institution to significant potential liabilities, for example by being able to explain notice periods of more than six months.
 6. Approve the framework for the design of any performance-related pay schemes operated by Brunel University London and approve the total annual payments made under such scheme.
 7. To obtain reliable, up-to-date information about senior staff remuneration in other universities and other relevant external benchmarks of comparable scale and complexity.
 8. From time to time receive updates on remuneration practice of comparable universities.
 9. Receive a statistical report on the salary enhancements awarded to any member of staff outside of the usual salary scales.
 10. Consider any exceptional arrangements in respect of staff remuneration packages and benefits including, but not necessarily limited to, relocation packages and initiatives aimed at attracting staff to the University.
 11. To receive and consider the Annual Pay Gap Report.
 12. To be updated on the reporting obligations in the Accounts Direction, as published by the Office for Students from time to time, as they relate to remuneration disclosures.
 13. To review the remuneration annual statement. (This may be within the annual report and accounts).
 14. To oversee the Chair of Council's monitoring and evaluation of the performance of the Vice Chancellor and President.
 15. To review the expenses of the Vice Chancellor and President which shall be approved by the Chair of Council.
 16. To review the policy on external earnings as it applies to senior staff.

The Committee Chair, having due regard to the sensitive nature of the Committee's work, shall report to the independent members of Council, as a restricted and reserved item, on its proceedings in relation to the Vice Chancellor and President and other senior staff, and to the full Council in relation to all other matters, after each meeting on all matters within its duties and responsibilities.

If the Committee has appointed remuneration consultants, the reports to Council should identify such consultants and state whether or not they have any other connection with the University.

The Committee must produce an annual remuneration report to the Council. The report will need to provide sufficient assurance to Council that the Committee has effectively discharged its responsibilities.

Other Matters

The Committee shall:

- Have access to sufficient resources in order to carry out its duties as required.
- Be provided with appropriate and timely training, both in the form of an induction briefing for new members and on an on-going basis for all members.

Clerking arrangement

The Director or HR, or other appropriate individual, will be the Secretary to the Remuneration Committee.

Annex A: Senior Leadership Team

The Senior Leadership Team is deemed to be the members of the Executive Board:

Vice Chancellor & President
 Deputy Vice Chancellor
 Pro Vice Chancellor Education
 Pro Vice Chancellor Enterprise and Employment
 Pro Vice Chancellor International and Sustainability
 Pro Vice Chancellor Research
 Chief Financial Officer
 Chief of Staff
 Chief Operating Officer
 Director of Communications, Marketing and Student Recruitment
 Director of Human Resources
 Director of Strategic Planning
 Executive Dean – CBASS
 Executive Dean – CEDPS
 Executive Dean - CHMLS
 University Secretary and General Counsel

Other Senior Posts Attracting a Salary of £150,000:

Chief Digital and Information Officer
 Dean of Brunel Medical School

5.4 Governance and Nominations Committee

(Revised November 2023)

Membership

- The Chair of Council, ex-officio
- The Deputy Chair, ex-officio
- Up to three, but no less than two, Independent Members of Council nominated by Council
- The Vice Chancellor and President, ex-officio
- The Deputy Vice-Chancellor, ex-officio
- One student member of Council

Officers in Attendance

The Director HR has a standing invitation to attend the Committee to provide input and advice as required.

Period of Office

The members of the Committee, other than the ex-officio members, shall serve for a period of not more than four years and are eligible for reappointment, subject to their remaining term

of office on Council. Council shall appoint a Chair from among its members, other than those who are members of the staff or students of the University, who shall hold office for such periods as it may determine.

Frequency of Meetings

The Committee shall meet at least three times a year.

Quorum

Quoracy is 50% of the Committee's membership and must include a majority of independent members of Council. In the absence of the Chair the independent members of Council present shall appoint one of their number to chair the meeting. In the absence of a quorum no business shall be transacted other than the adjournment of the meeting.

Powers, Duties & Functions

1. The Committee shall monitor the Skills Matrix on behalf of Council and its Committees and shall seek, by a variety of means, to invite appropriate nominations for Council membership from the wider community within and outside the University,
2. The Committee, shall, having considered nominations made to it, make recommendations to the Council of persons for appointment to the Council.
3. The Committee shall also consider, recommend to Council and keep under regular review the composition and appointment of members across Council Committees, the Council members to fill vacancies on joint Committees of the Council and the Senate, and members to be recommended to Council for appointment as members of the University Court. The Chair of the relevant Committee will be consulted before any proposals are submitted to Council.
4. The Committee shall review at least annually the record of attendance of members and any other performance criteria set by Council and shall advise Council on any issues arising therefrom in accordance with Ordinance 2, Para 4.1.
5. The Committee shall advise Council on all matters relating to the governance at the University, ensuring that the Charter, Statutes, Ordinances and other policies and regulations are periodically reviewed.
6. The Committee shall prepare written descriptions of the role and capabilities desirable in member(s) including that of the Chair and Deputy Chair.

Clerking Arrangements

The Secretary to Council, or other appropriate individual, will be the Secretary to the Governance & Nominations Committee.

5.5 Ethics Advisory Committee

(Revised November 2023)

Purpose

The Ethics Advisory Committee exists to support Council and the University in ensuring that the aims and objectives of the Ethical Framework are fulfilled.

The Ethics Advisory Committee can be charged with responsibility for considering matters referred to it by Council, Senate, the Vice-Chancellor and President, the Executive or any other Committee or body within the University. The Ethics Advisory Committee acts in an advisory capacity to Council and none of its decisions are binding on the University or any of its

Committees.

Membership

- A nominated independent member of Council who shall be Chair (the Chair shall not be the Chair or Deputy Chair of Council or the Chair of any of its Committees)
- A member of Council who shall not be the Chair or Deputy Chair of Council
- Up to two members of the Executive Board
- A member of the Audit and Risk Committee who is also an independent member of Council
- An elected representative of the UBS
- The Deputy Vice-Chancellor or one Pro Vice-Chancellor

The Committee shall have the power to co-opt up to two further members to deal with specific matters referred to the Committee and is able to invite other attendees on an ad hoc basis. In exceptional circumstances, and with the permission of Council, the Committee may co-opt one of these members from outside the University.

The members of the Committee shall serve for a period of not more than three years (renewable once for a period of three years).

Officers in attendance

- The Secretary to Council or his/her representative shall be Secretary of the Ethics Advisory Committee.
- By convention the Chair of University Research Ethics Committee (UREC) will be invited to attend.

The Committee reserves the right to request the attendance of staff and any member of the University.

Period of Office

The members of the Committee, other than the ex-officio members, shall serve for a period of not more than four years and are eligible for reappointment, subject to their remaining term of office on Council.

Meetings

The Ethics Advisory Committee shall meet on an ad-hoc basis to conduct ethical due diligence on any major decision or undertaking that might be referred to it.

Quorum

The quorum shall be one independent member of Council plus three other members. If the Chair is unavailable to attend the meeting an independent member of Council will be appointed to Chair in her/his absence.

Procedure

The Ethics Advisory Committee shall regulate its own procedures for the conduct of its meetings and will report to Council on an annual basis.

Powers, Duties & Functions

- To seek assurance that there are adequate monitoring, reporting and accountability processes to ensure that the objectives of the Ethical Framework are fulfilled.
- Ensuring due ethical consideration is given to all major decisions made within the University and to contribute to the promulgation of good ethical practice.
- Monitoring mechanisms used to raise ethical concerns.
- Assessing reports and overseeing subsequent actions following breaches of the ethics related policies or allegations of misconduct relating to matters covered by the Ethical Framework.

- Developing and reviewing the effectiveness of and updating ethics and related policies.
- Liaising with stakeholders over ethical issues.
- Advising on ethical issues as they affect the University, providing briefing and identifying training needs to enhance integrity and ethical behaviour.

5.6 Estates Sub-Committee

(Approved October 2023)

Membership

There shall be an Estates Sub-Committee of the Finance Committee with the following membership:

- An independent member of Council (Chair)
- At least two other independent members of Council
- The Vice Chancellor and President, ex officio
- The Deputy Vice Chancellor, ex officio
- One student member of Council

The University Secretary and General Counsel or his/her delegate shall be Secretary of the Estates Sub-Committee.

Up to two persons may be co-opted members, all of whom shall be independent of the University.

Members of the Executive may be in attendance from time to time if the agenda of the meeting requires it.

Period of Office

The members of the Sub-Committee, other than the ex-officio members, shall serve for a period of not more than four years and are eligible for reappointment, subject to their remaining term of office on Council. Membership of committees is always subject to review by the Governance & Nominations Committee.

Appointment of Chair

The Sub-Committee shall appoint a Chair from among its members, other than those who are members of the staff or students of the University.

Meetings

The Sub-Committee shall meet at least three times a year.

Quoracy

Quoracy is 50% of the Sub-Committee's membership which must include at least two independent members of Council. In the absence of the Chair, the independent members of Council present shall appoint one of their number to chair the meeting.

Procedure

The Committee shall regulate its own procedures for the conduct of its meetings.

Powers, Duties & Functions

Subject to the terms of the Charter and Statutes, the Committee shall have the following powers, duties and functions:

1. Takes a lead in obtaining assurance from the Executive as to the formulation and delivery of the estates strategy for the development and maintenance of the property assets of the University, including receiving at agreed intervals:
 - Reports on the existing use and value of the Estate (which may be infrequent with annual reports on any changes to the reinstatement value);
 - Reports on the condition of the Estate;
 - Reports on the performance and utilisation of the Estate against the university's strategic objectives;
 - Review utilisation of the Estate and receive opportunities for development and usage of the Estate as and when they arise;
 - Reports on legal position with regard to contractors and professional appointments.
2. Recommends to Finance Committee, the university's annual capital investment plan and receives regular reports from the Executive Director of Campus Services on progress.
3. To consider business cases and, if satisfactory, to make recommendations to Finance Committee on any proposals involving an aggregate financial commitment in excess of £1 million in relation to the University's Estate. This includes entering into or disposing of leases with revenue expenditure or capital value (as appropriate) expected to be in excess of £1 million. It will also make such recommendations on any leases involving an annual rental liability in excess of £1 million irrespective of the aggregate liability over the term. The Sub-Committee also has oversight of all major estates works equal to or less than £1m million in value.
4. To receive assurance from the Executive as to the preparation and maintenance of appropriate asset records.
5. Receives reports as appropriate from the Executive.