



Annual Report of Audit and Risk Committee 2025–26

Outcome requested	Audit and Risk Committee is asked to note the first draft of the Annual Report for 2025–26. The final report will be submitted to Council in November.
Executive Summary	In line with the CUC Audit Committees Code of Practice, the Audit and Risk Committee annual report has been produced for the governing body and head of institution, timed to support the preparation of the published financial statements. The report should include the Committee's conclusions on the adequacy and effectiveness of the institution's arrangements for: • risk management, control and governance; • sustainability, economy, efficiency and effectiveness (value for money); • and the quality of data submitted to regulatory bodies. The report should describe how the Committee discharged its duties and should include any significant issues arising during the financial year and the period up to the date of the report. The Committee should also report that it has confirmed with the internal and external auditors that the effectiveness of the internal control system has been reviewed. Areas where additional information will be added or confirmed after this meeting have been highlighted.
QMUL Strategy:	Financial sustainability
Internal/External reference points:	CUC Audit Committees Code of Practice
Strategic Risks	11. Delivery of Estates and IT enabling plans 12. Improved cash generation to enable investment 14. Strategy implementation 15. Incident management and business continuity 16. Compliance
Subject to onward consideration by:	A second draft of this report will be considered by the Committee on 05 November 2026 before going to Council.
Confidential paper under FOIA/DPA:	No
Equality Impact Assessment	Not required
Timing:	Annual report to the Committee
Author:	Dr Nadine Lewycky, Head of Secretariat

Date:	09 September 2026
Senior Management/ External Sponsor	Dr Alix Pryde, Chair of Audit and Risk Committee

Annual Report of Audit and Risk Committee 2025–26

1. Introduction

- 1.1. This is the annual report of the Audit and Risk Committee for the 2025–26 financial year. Under the CUC Audit Committees Code of Practice, the Committee should produce an annual report for the governing body and head of institution, timed to support the preparation of the published financial statements. The annual report should include the Committee's opinion of the adequacy and effectiveness of the institution's risk management, control and governance, sustainability, economy, efficiency and effectiveness (value for money), and the quality of data submitted to regulatory bodies. The report should describe how the Audit Committee has discharged its duties and should include any significant issues arising during the financial year and the period up to the date of the report.

2. Committee Constitution

- 2.1. The Committee reviewed progress at each meeting against the annual business plan for 2025–26.

- 2.2. Members of the Committee (none of whom have executive authority):

External Members of Council

Peter Thompson (Chair) (to 29/11/2025)

Patricia Gallan

Malcolm Hitching

Indy Hothi

Dr Alix Pryde (from 01/09/2025 and Chair from 30/11/2025)

Co-opted External Members

James Hedges

Jonathan Pears (from 01/03/2026)

- 2.3. The following attended meetings of the Committee on a regular basis:

Representatives of the Senior Executive and other senior officers

Professor Colin Bailey

President and Principal

Karen Kröger

Chief Financial Officer

Jonathan Morgan

Chief Governance Officer and University Secretary

Dr Sharon Ellis

Chief Operations Officer

Representatives of the Internal Auditors

Amy Warby

KPMG

Neil Thomas

KPMG

Representatives of the External Auditors

James Aston

BDO (to March 2026)

Sarah Durrant

BDO (to March 2026)

Sue Ladell

BDO (from March 2026)

David Wiley

BDO (from March to July 2026)

Hamid Ghafoor

BDO (from July 2026)

- 2.4. Rob Whiteman, Treasurer and Chair of the Finance and Investment Committee, had access to the papers circulated to the Audit and Risk Committee via the board

management software Convene. Arrangements were in place to facilitate appropriate liaison between the two committees.

2.5. *Secretary to the Committee*

Dr Nadine Lewycky Head of Secretariat

2.6. *Terms of Reference*

The Committee reviewed its Terms of Reference at its meeting on 16 September 2026. No amendments were suggested to the Terms of Reference for 2026–27. The Terms of Reference are appended as Annex A.

2.7. *Committee Effectiveness*

The Committee's Terms of Reference require it to review its effectiveness on an annual basis. The Committee discussed its effectiveness at its meeting on 16 September 2026. **DETAILS TO BE INSERTED** There were no issues that prevented the Committee from discharging its responsibilities effectively.

3. **Meetings of the Committee**

3.1. The Committee met on the following dates since the start of 2025–26:

- 17 September 2025
- 04 November 2025
- 03 March 2026
- 09 June 2026
- 16 September 2026
- 05 November 2026

3.2. The following table records attendance at meetings by members.

	17/09/25	04/11/25	03/03/26	09/06/26	16/09/26	05/11/26
P Gallan	X	√	√	√		
J Hedges	√	√	√	√		
M Hitching	X	√	X	√		
I Hothi	√	√	√	X		
J Pears	N/A	N/A	√	√		
A Pryde	√	√	√	√		
P Thompson	√	√	N/A	N/A	N/A	N/A

4. **Internal Audit**

4.1. Internal audit services in 2025–26 were provided by KPMG for a fee of £126,303 plus VAT. KPMG was re-appointed as the University's internal auditors for a period of four years from 01 August 2022. The appointment was extended by one year until July 2027.

4.2. The total number of days allocated to internal audit during 2025–26 across all areas was 122. No restrictions were placed on the work of the Internal Auditors in 2025–26. The Committee considered progress reports on the 2025–26 audits at its meetings in September and November 2025, and March and September 2026.

4.3. The Internal Audit Annual Report for 2025–26 was considered by the Committee at its meeting on 16 September 2026. A summary of the internal audit findings is attached as Annex B. Members attended a private meeting with the Internal Auditors ahead of the

Committee meeting on 16 September 2026. There were no points from this meeting that the Committee needed to draw to the attention of Council. **TO BE CONFIRMED**

- 4.4. Seven scheduled audits agreed in the 2025–26 operational plan were completed during this reporting period and the Committee received individual reports from each audit. An additional audit on the School of Business and Management and Queens' Building capital projects had been commissioned in 2024/25 in response to potential overspends. The final report was completed in November 2025 and considered by the Committee at its meeting in March 2026. The report had no overall rating and 10 medium level recommendations.
- 4.5. Internal audit verdicts are classified according to a series of assurance levels, identified in the following table:

Assurance level	Classification
Green	Priority three only, or no recommendations i.e. any weaknesses identified relate only to issues of good practice which could improve the efficiency and effectiveness of the system or process.
Amber-green	One or more priority two recommendations i.e. that there are weaknesses requiring improvement but these are not vital to the achievement of strategic aims and objectives – however, if not addressed the weaknesses could increase the likelihood of strategic risks occurring.
Amber-red	One or more priority one recommendations or an identified need to improve the systems in place to enable achievement of strategic aims and objectives. i.e. the weakness or weaknesses identified have a fundamental impact preventing achievement of strategic aims and/or objectives; or result in an unacceptable exposure to reputation or other strategic risks.
Red	One or more priority one recommendations and fundamental design or operational weaknesses in the area under review. i.e. the weakness or weaknesses identified have a fundamental and immediate impact preventing achievement of strategic aims and / or objectives; or result in an unacceptable exposure to reputational or other strategic risks.

- 4.6. The outcomes of the reviews undertaken is summarised in the following table:

Review	Outcome (rating)	Number of Recommendations		
		High	Medium	Low
Budget setting and management	Significant assurance with minor improvement opportunities (amber-green)	0	1	1
Compliance with UUK housing	Partial assurance with improvements required (amber-red)	3	10	5
Data retention and management	Partial assurance with improvements required (amber-red)	0	4	2
Maintenance	Significant assurance with minor improvement opportunities (amber-green)	0	1	3

Risk management	Significant assurance with minor improvement opportunities (amber-green)	0	2	3
Student recruitment and UKVI culture	Significant assurance with minor improvement opportunities (amber-green)	0	5	4 (+ 7 advisory)
HR – recruitment controls	Significant assurance with minor improvement opportunities (amber-green)	0	0	2

- 4.7. Five of the seven internal audit reports received by the Committee this year had been rated ‘significant assurance with minor improvement opportunities’ (amber-green) and two rated ‘partial assurance with improvements required’ (amber-red). The Committee heard that there were 7 actions overdue at the time of the September meeting, of which 5 were medium priority and two low priority.
- 4.8. The Committee considered an internal audit report on compliance with the UUK housing code which received an overall rating of partial assurance with improvements required (amber-red) at its meeting in March 2026. The Committee heard that the processes for ensuring compliance with the UUK Code of Practice for Student Housing were reviewed in line with UUK requirements every three years. The Committee heard that the review considered compliance with all areas of the revised code introduced in March 2025. The Committee heard that the rating had been driven by compliance gaps in a few areas: some health and safety policies were missing or out of date; and Fire Risk Assessments (FRAs) were not always carried out annually. There was also one overdue high priority remedial action in the Fire Risk Assessment action plan for one of the residences. There was scope for improvement in the training of relevant staff groups in line with the Code requirements. The Committee heard that management had accepted the actions which would support work underway to implement an integrated workforce management system and improve record keeping.
- 4.9. The Committee considered an internal audit report on data management and retention which received an overall rating of partial assurance with improvements required (amber-red) at its meeting in September 2026. **TO BE COMPLETED**
- 4.10. The Committee discussed the 2026–27 Internal Audit plan and five-year plan at its meeting on 09 June 2026. The plan would take a different approach to reflect the growing number of amber-green reports in the last few years. The track record of well-designed controls meant that some reviews could be focused on the operation of controls, allowing a larger number of reviews to be undertaken. The plan included reviews on finance, data, governance and risk which would support the Committee to provide the required conclusions to Council. The Committee discussed how the TEF 2027 review could be used to support the University’s ambitions to achieve a silver rating. Two reviews were proposed, one which would focus on the University’s preparations, while another would consider compliance with regulatory requirements. The Committee agreed to revisit the timing and scope of the reviews in the autumn to ensure that they added value. The Committee asked whether compliance with free speech duties had been considered in the planning. It had been considered, but the decision was taken not to include it, as there had been significant activity around the revised Code of Practice on Free Speech last year. A deep dive on freedom of speech and the Campus Good Relations Group next academic year was proposed as an alternative. The Committee approved the final version of the plan at its meeting on 16 September 2026. **TO BE CONFIRMED**

5. External Audit

- 5.1. External audit services for 2025–26 were provided by BDO for a fee of £320,600 including VAT. Members attended a private meeting with the External Auditors after the Committee meeting held on 05 November 2026. **DETAILS TO BE INSERTED** There were no points arising from the private meeting that the Committee needed to be drawn to the attention of Council.
- 5.2. The Committee considered and approved the External Audit Plan for 2025–26 at its meeting on 09 June 2026.
- 5.3. **TO BE COMPLETED** The External Auditors' Report and management response for 2025–26 was considered by the Committee on 05 November 2026.

6. Approval of Financial Statements

- 6.1. At its meeting on 05 November 2026 the Committee recommended that Council should approve the Financial Statements for 2025–26. Council's decision at its meeting on 25 November 2026 was to approve the Financial Statements. **TO BE CONFIRMED**

7. Risk Management

- 7.1. Queen Mary's approach to risk management is set out in its risk management framework which was reviewed by internal audit in 2017–18. The annual Internal Audit Operational Plan is aligned with identified risk areas.
- 7.2. The Committee received and discussed the Strategic Risk Register during 2025–26 at its meetings in September 2025, March 2026, and September 2026, and an update on KPI lead indicators in June 2026. The Committee reports to Council on its consideration of strategic risk through the provision of minutes to Council presented by the Chair of Audit and Risk Committee. This was done on 09 October 2025, 27 November 2025, 19 March 2026, 09 July 2026 and 08 October 2026.
- 7.3. The Committee considered an annual review of cyber security at its meetings in March 2026. The Committee heard that the University had become the first Russell Group institution to achieve ISO27001 accreditation across all its managed systems, which would give the University a competitive advantage in certain research bids. The Committee congratulated the University on this significant achievement. The Committee heard that there had not been significant movement in the dashboard metrics, which were already at a high level. Training completion rates had risen to 73%, up from 67% in the last report. As well as the continued promotion of training for all staff, new postgraduate research students were required to take the training from the start of this academic year. The Committee asked about the University's preparedness for severe cyber-attacks. The Committee heard that tests were run which challenged the University's response in the event of a total system failure. The Committee heard that emergency plans were in place, and that IT Services ran a desktop exercise on a regular basis. It had been some time since the Senior Executive Team had completed a scenario exercise and it was agreed to explore the timing of the next exercise. At its meeting in June 2026, the Committee heard that members of the Senior Executive Team and the silver and gold response groups completed a scenario exercise run by our cyber security insurers. The Committee heard that the feedback from the insurers and the Executive had been positive.
- 7.4. The Committee received a deep dive on actions taken in response to the staff survey results at its meeting on 04 November 2025. The Committee heard that the staff survey had run against the context of the voluntary severance scheme in the Faculty of Humanities and Social Sciences and steps to flex the university more widely. Participation in the survey showed a slight dip on the previous year but was still above benchmark and had shown incremental improvement across the University since 2022.

Improvements to questions on leadership and company confidence, which had been focus areas on the institutional action plan, had not improved as hoped. By contrast, questions on management had scored highly. The University's engagement KPI had risen since 2022 but was below benchmark. The executive was looking to learn lessons from other institutions with high levels of engagement. The institution with the highest engagement score had taken similar actions but had a clearer communications strategy. The Committee noted that significant improvement would be needed to achieve the engagement KPI and asked what actions had been identified to move the dial to this degree. The Committee heard that the Executive was looking at running the survey earlier in the year to improve response rates and provide the opportunity for staff to discuss the results at local away days.

- 7.5. The Committee received a presentation on the staff survey results in one school in the Faculty of Humanities and Social Sciences. The Committee heard that lower scores on decision-making and communications reflected the feelings of some staff who had felt excluded from the school merger process. A communications plan had been developed that would facilitate two-way communication between the school leadership and its staff. Expectations among staff about the opportunities to contribute to decision-making needed to be managed, but it was important to communicate the reasons behind decisions.
- 7.6. The Committee heard that in the Faculty of Science and Engineering there was a challenge engaging with mid-career academics. This issue went outside the faculty and partly reflected a focus in funding on early career researchers. The Committee asked whether the executive saw any correlation between lower satisfaction scores and staff exit surveys. Academic staff turnover was low across the University and there was no obvious correlation with staff turnover in areas with lower satisfaction scores.
- 7.7. At its meeting on 03 March 2026, the Committee received a deep dive report on AI. The Committee heard that the vision was to transform Queen Mary into an AI-enabled university by 2028 through reshaping our education, research and operations so that AI capability would be embedded consistently and ethically. The guiding principles were: responsible use of data; capability building; clarity on appropriate use of AI; and opportunity management. The Committee asked about opportunities to partner with AI companies. The Committee heard that conversations were under way, building on existing partnerships, and it was the intention to create an external advisory group for AI to bring in external perspectives on good practice and industry engagement. The Committee heard that the University had started to automate more processes in the University, which would form the foundation for introducing AI in future. Some other universities had moved more quickly to make AI platforms generally available, and we were monitoring their progress as we made decisions about our own plans. The Committee asked about the main risks with AI across education, research and operations. There was a balance to be struck between allowing the necessary autonomy for research and innovation and providing the frameworks and guidance to ensure safe data use and ethical application. The Committee heard that failure to address expectations around AI literacy could have a negative impact on student experience and outcomes. As this was a fast moving area, the Committee asked for a further update in 6-months' time.
- 7.8. At its meeting on 09 June 2026, the Committee received a deep dive report on staff and student casework. The Committee heard that the profile of dismissals reflected activity to change the size and shape of the University. The Committee heard that the Employment Rights Act 2025 was coming into effect with phased implementation and would require changes to ensure compliance. From 1 January 2027, the reduction to the qualifying period for unfair dismissal claims from two years to six months represented a material shift in employment risk, particularly for the higher education sector where longer probation periods for academic staff were the standard. The

Committee asked about the underlying causes for the disparity in dismissals between Professional Services and academic staff. The profile reflected norms within the sector and the increased complexity involved in responding to performance issues with academic staff. The academic probation process had been strengthened, leading to an increasing number of academic staff failing probation. The number of academic staff dismissals related to capability and misconduct was also increasing. The Committee heard that a working group was currently leading on the development of a clear appraisal process and staff training to improve clarity in the process and reporting lines and increase robustness. The Committee asked how the maturity of the University's processes benchmarked against other Russell Group institutions. The Committee heard that the requirement to agree changes with the trade unions made it more difficult to keep some of the key codes of practice up to date, but that the University focusing on implementing the existing codes as effectively as possible.

- 7.9. The Committee asked whether management was comfortable with the 70% completion rate of mandatory training for new students in relation to the handling of sexual harassment and misconduct. The Committee was told that the completion rate compared well against the sector and that action was being taken by to increase completion rates in future. The Committee heard that Human Resources and the student Appeals, Complaints and Conduct Office had collaborated on principles to standardise the collection and storage of evidence for investigations and an improved process for handling complaints by students against staff. Further joint work was being undertaken on policies and procedures to support the implementation of the Code of Practice on Free Speech, and the teams and panel chairs had received joint training on cases of sexual harassment and misconduct.

8. Legal Compliance

- 8.1. The Committee considered a report in March 2026 that provided an in-depth investigation into upcoming legal compliance risks and identified mitigations in the areas of information governance, consumer protection and freedom of speech. The Committee heard that no material legal compliance failures or systemic weaknesses had been identified. The Committee heard that the increasingly complex regulatory environment was contributing to tensions between compliance areas, such as the protection of freedom of speech alongside the obligation to prevent harassment in relation to protected beliefs. The Committee heard that these compliance areas were managed by different parts of the regulator and universities were expected to strike an appropriate balance in the individual circumstances of each case.
- 8.2. In June 2026, the Committee received a report on compliance with the Office for Students' conditions of registration relating to consumer protection for students and how universities prevent and handle harassment and sexual misconduct. The Committee heard that no material or systemic legal compliance failures had been identified. The Committee heard that the regulatory environment continued to evolve, particularly in relation to the regulation of consumer protection and incidents of sexual harassment, as well as recent developments in enforcement, including the University of Sussex litigation. The University was taking steps to respond, with appropriate governance, policy development and implementation activity in place. The Committee asked whether the new regulatory condition on treating students fairly would require a change in the level of assurance. The Committee heard that the University was already in a good place to meet the expectation to help students understand their rights, having simplified our general terms and conditions and other key documents. The Committee heard that cases requiring remedies typically seen under consumer protection law were relatively few, but it would be important to keep this under close review. The Committee suggested that lessons might be learned from other regulated sectors that had responded to similar imperatives and noted that marketing material would need to be clear and link clearly to what was being delivered. On the basis of the information

provided, the Committee was satisfied that the University has adequate and effective measures in place to secure compliance with applicable law and regulation.

- 8.3. The Committee considered the Prevent Duty Annual monitoring return for 2025–26 at its meeting on 05 November 2026. **DETAILS TO BE COMPLETED** The Committee was satisfied, on the basis of the information provided, that the University had due regard for the requirements of the Prevent Duty and agreed to recommend approval to Council.

9. Value for Money (VFM)

- 9.1. The University's approach to Value for Money (VfM) is outlined in the front narrative section of the financial statements. The Committee discussed the key messages and risks for inclusion in the front section of the annual report at its meeting on 09 June 2026. The Senior Executive Team took on board feedback from the Committee and created an early draft which was shared with the Committee by email circulation over the summer. The draft was shared with the Committee Chairs before being circulated to the Committee for discussion at its meeting on 16 September 2026. **TO BE COMPLETED**

10. Public Interest Disclosure (Whistleblowing)

- 10.1. **TO BE COMPLETED** The Committee received report of eight disclosures under the whistle blowing policy between September 2025 and November 2026. Five disclosures were investigated under the whistle blowing procedure and three were referred for investigation under other more suitable procedures. There were no ongoing investigations at the time of writing the report. The whistle blowing policy had been updated in November 2024 and no further updates were proposed ahead of the next planned review in November 2027.

11. Serious incidents, including fraud and loss of assets

- 11.1. Under the Financial Regulations, any suspicion of bribery, fraud, or other irregularity must be reported immediately to the Chief Financial Officer. The Committee received a report in March 2025 about a supplier being targeted by a scammer pretending to be from Queen Mary. A newsletter was sent out to our suppliers warning them about the scam, advising them how to check the legitimacy of the communication, and the actions we were taking to report it. The Chief Financial Officer reported to the Committee in June 2025 that the University had been contacted by the US Department of Justice regarding a lawsuit against the student recruitment agency Study Across the Pond. Queen Mary was not party to the lawsuit but had been asked to share information about any interactions it had with the company. The Senior Executive was taking legal advice.
- 11.2. The Committee received a report in September 2025 about an incident in which a full-time staff member was employed full-time at two other organisations at the same time as Queen Mary. The employee had joined Queen Mary in December 2024 and had not requested permission to work with outside bodies as required by the terms of their contract. The employee had already resigned and was taking accrued annual leave to the end of their notice period by the time this information was received. The employee was being performance managed in advance of their resignation. IT access was revoked and final payment for a period of sick leave was withheld. The employee received written notification that had they remained in employment an investigation would have been initiated. A review of similar incidents identified a separate case of two staff working for another employer. The investigation had led to both staff leaving the university. The HR Director would be notifying the police of the pattern of behaviour. The wording regarding working for outside bodies in the standard contract was being reviewed. The Director of Finance and Director of HR would explore with the University auditors the possibility of undertaking a review to identify staff with multiple employments for future investigation.

12. Data quality and integrity

- 12.1. A data quality review forms part of the annual Internal Audit Operational Plan. During 2025–26, the Internal Auditors undertook one data quality review on the Annual Financial Return.
- 12.2. The Committee considered the Transparent Approach to Costing (TRAC) return and methodology for 2024–25 at its meeting in March 2026. The Committee heard that the TRAC return determined the charge-out rates for indirect costs and estates, which were included in UK government research grant applications, and through which the University recovered some of its indirect costs incurred in support of research. The estates rates had decreased due to a reduction in utilities costs. This would have an impact on the size of indirect costs we could put into future bids to UKRI.

13. Opinion

- 13.1. In line with the CUC Audit Committee code of practice, the Committee has reached the following opinions on the adequacy and effectiveness of Queen Mary's arrangements for: **TO BE CONFIRMED**
- i. *Financial sustainability*
Overall findings on design show some controls to be effectively designed with some exceptions and our testing showed controls are operating effectively (amber-green).
 - ii. *Risk management*
Overall findings on design showed controls to be effectively designed with some exceptions and our testing showed some controls to be operating effectively and others could be more consistently applied (amber-green).
 - iii. *Control and governance*
Overall findings on design show some controls to be effectively designed with some exceptions and our testing showed controls are operating effectively (amber-green).
 - iv. *Quality of data*
Overall findings on design show some controls to be effectively designed with some exceptions and our testing showed some control to be operating effectively and others could be more consistently applied (amber-green).
 - v. *Economy, efficiency and effectiveness (Value for money)*
Overall findings on design show some controls to be effectively designed with some exceptions and our testing showed controls are operating effectively (amber-green).

Dr Alix Pryde
Chair, Audit and Risk Committee
Xx November 2026

Annex A: Terms of Reference
Annex B: Head of Internal Audit Opinion
Annex C: External Audit Report – Recommendations and management responses
considered by the Committee on 05 November 2026.

Audit and Risk Committee Terms of Reference 2025–26

Audit and Risk Committee is a committee of Council, mandated by the Office for Students (OfS) under the Terms and conditions of funding for higher education institutions. The Committee oversees Queen Mary University of London (QMUL)'s arrangements for external and internal audit, financial control and risk management, providing assurances in these key areas through its annual report to Council.

1. External and Internal Audit

- 1.1 To make recommendations to Council at least annually on the appointment of external and internal auditors.
- 1.2 To commission a competitive tendering process:
 - for external audit services at least every 5 years; and
 - for internal audit services at least every 5 years.
- 1.3 To oversee external and internal audit services by:
 - promoting co-ordination between external and internal audit services;
 - providing input to, and approving, an annual external audit strategy and internal audit plan;
 - reviewing reports and recommendations from the external and internal auditors;
 - reviewing the adequacy and implementation of the Executive response; and
 - reviewing the effectiveness and objectivity of the external and internal auditors.
- 1.4 To review the draft annual financial statements with the external auditors and recommend their adoption by Council following satisfactory resolution of matters raised.

2. Financial Control and data assurance

- 2.1 To review the adequacy and effectiveness of the Executive's systems for:
 - management and quality assurance of external data returns;
 - financial control;
 - obtaining value for money; and
 - responding to alleged financial irregularities.
- 2.2 In relation to alleged financial irregularities:
 - to receive regular reports from the internal auditors and the Executive on reports received, investigations conducted and action taken; and
 - to obtain assurances that any significant losses have been appropriately disclosed and (where appropriate) reported to the OfS and other external bodies.

3. Risk management

- 3.1 To review the effectiveness of mechanisms operated by the Executive for identifying, assessing and mitigating risks (including, where appropriate, mitigation by insurance).

- 3.2 To regularly consider the current status of core risks to the QMUL Strategy, through the review of data and documents presented by the Executive and derived from the Strategic Risk Register.
 - 3.3 To periodically test scores and controls in selected areas of activity through consideration of specific reports, including a report on cyber security.
 - 3.4 To review the outcomes of audits and reviews undertaken by institutional regulators, funders and other relevant organisations.
 - 3.5 To oversee the Public Interest Disclosure (whistle-blowing) policy and receive regular reports from the Executive on cases.
- 4. Legal and Statutory Compliance**
- 4.1 To consider reports on legal and statutory compliance from the Executive, and request follow up action, including investigation and reporting where identified.
- 5. Committee evaluation**
- 5.1 To review the Committee's effectiveness and the suitability of its terms of reference annually.

Membership of Audit and Risk Committee

- No less than three and no more than five external members of Council, one of whom will be the Chair of the Committee.
- Up to two co-opted members who are external to QMUL and have relevant expertise.

Mode of operation

1. Audit and Risk Committee meets at least three times per year. The Committee holds one annual *in camera* meeting with representatives of internal audit and one annual *in camera meeting* with representatives of external audit, normally immediately before scheduled meetings.
2. The Committee will prepare an annual report covering the institution's financial year and any significant issues up to the date of preparing the report. The report will be addressed to the Council and the President and Principal, summarising the activity for the year, and providing an opinion on the adequacy and effectiveness of the institution's arrangements for risk management, control and governance, sustainability, economy, effectiveness and efficiency (value for money) and the quality of the data submitted to regulatory bodies in line with the Committee of University Chair's Audit Committees Code of Practice. The Committee's opinion is based on the conclusion provided from the programme of internal audit through the year as well as other assurance reports from management and on occasion other parties.
3. The Committee reports to the next meeting of Council following each of its meetings through the provision of its minutes. Specific proposals requiring Council consideration and approval are identified in the terms of reference.