AUDIT AND RISK COMMITTEE

A meeting of the committee will be held at **1500 hours** on **Thursday 08 March 2018**, in the Boardroom, Dean Rees House, Charterhouse Square.

**AGENDA**

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<th>Part 1: Introduction</th>
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<td>1. Welcome and apologies</td>
<td>Oral report</td>
<td>D Willis</td>
<td>N/A</td>
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<td>• Non-confidential minutes</td>
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<td>• Confidential minutes</td>
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<td>• Executive summary</td>
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**Part 2: Risk Management**

| 5. Strategic Risk Register | ARC2017/26 | N Choudhary | Prof E Burke |
| 6. Whistleblowing cases since the last meeting | Oral report | D Willis | J Trounson |
| | | | J Morgan |
| 7. *HEFCE’s annual assessment of institutional risk | ARC2017/27 | N Choudhary | J Trounson |

**Part 3: Statutory and Regulatory Compliance**

| 10. Annual efficiency return | ARC2017/30 | M Chadha | L Gibbs |

**Part 4: Internal and external audit**

| 11. Internal audit reports: | ARC2017/31 | M Tatton | L Gibbs/KPMG |
| • Risk management | | | |
| • Staff recruitment | | | |
| • School of Biological and Chemical Sciences | | | |
| • Student Housing | | | |
| 12. KPMG report on internal audit recommendations | ARC2017/32 | M Tatton | KPMG/L Gibbs |
13. **External Audit Plan 2017–18 and fees**

<table>
<thead>
<tr>
<th>PART 5: Financial Control</th>
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<tr>
<td>14. Fraud/financial irregularities occurring since the last meeting</td>
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<td>Oral report D Willis J Trounson</td>
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<td>15. Review of policies:</td>
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<td>ARC2017/34 D Willis J Jones L Gibbs</td>
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<td>• Anti-bribery and Corruption</td>
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<td>• Anti-Money Laundering</td>
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<td>• Fraud and Corruption Response Plan</td>
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<td>• Public Interest Disclosure</td>
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<td>• Standards of Business Conduct</td>
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<td>16. Annual review of Internal and External Auditor appointments</td>
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<tr>
<td>ARC2017/35 M Tatton K Barrow J Trounson</td>
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</tbody>
</table>

**Part 6: Committee Management and Reporting**

17. *Draft agenda for the next meeting*  
| ARC2017/36 D Willis S Marshall |
18. Any other business  
| N/A D Willis N/A |
19. **Dates of meetings 2017–18**  
- Thursday 14 June 2018 at 1500 hours, Robert Tong Room.

*will be taken without discussion unless a request to open the item for debate is sent to the Chair or Secretary prior to the start of the meeting.*
AUDIT AND RISK COMMITTEE  
Tuesday 14 November 2017

DRAFT UNCONFIRMED MINUTES

Present:
David Willis (Chair)  Kathryn Barrow  Monica Chadha
Nadim Choudhary  Melissa Tatton

In attendance:
Professor Colin Bailey  Sue Barratt (External Audit)  Professor Edmund Burke
Paul Cuttle (Internal Audit)  Laura Gibbs  Joanne Jones
Nadine Lewycky  Siân Marshall  Jonathan Morgan
Catherine Murray  Julian Reeve (External Audit)  Janice Trounson
Paul Thomas (External Audit)

Apologies
Neil Thomas (Internal audit)

Part 1: Preliminary Items

Welcome

2017.018 The Chair welcomed Julian Reeve from Deloitte LLP to the meeting.

Executive Summary and Minutes of the meeting 02 October 2017 [ARC2017/14]

2017.019 The Committee confirmed the Executive Summary, non-confidential and confidential minutes of the meeting on 02 October 2017.

Matters Arising [ARC2017/15]

2017.020 The Committee received the following matters arising from the non-confidential minutes of the meeting on 02 October 2017.

Strategic Risk Register

[a] The Committee agreed to receive a deep dive on IT/business continuity from the Chief Information Officer at its meeting in March 2018.

[b] The Committee agreed to receive a deep dive on student experience, focusing on a priority area such as retention, employability or student satisfaction within a particular faculty. The Chief Operating Officer would liaise with the Vice-Principal for Student Experience, Teaching and Learning to identify a specific topic for the deep dive.

[c] The Committee acknowledged that for a deep dive to be effective, members would need the opportunity to scrutinise a written report in
advance of a presentation. It was agreed that deep dive presentations should be accompanied by additional reading provided prior to the meeting, such as a copy of a relevant strategy and risk register or a summary of the management of risks and controls in the particular area.

Legal compliance report

[d] The Committee received an updated summary of the Fire Safety Cladding Inspection Results and Action Plan. It was agreed that the Director of Health and Safety and the Director of Estates and Facilities would attend the next Committee meeting to provide a further update.

[e] The Committee noted that the inspection had been carried out by Arup, by whom Nadim Choudhary was employed, but this did not represent a conflict of interest.

Update on potential fraud in the Faculty of Science and Engineering


Actions:
[a] Chief Information Officer
[b] COO, VP SETL
[c] Council Secretariat

Part 2: External Audit

Audited Financial Statements 2016-17 [ARC2017/16]

2017.021 The Committee considered the draft audited financial statements 2016-17. The following points were noted:

[a] The statements were undergoing final review by Deloitte LLP and the Finance Department, but it was not expected that there would be material changes at this stage. It was noted that there were some minor changes to be made arising from review by FIC and from the Committee chair.

[b] There had been no changes or issues relating to the application of accounting policies in the past year.

[c] The Committee agreed that the Strategic Review should include a section outlining the principal risks facing the organisation. The Committee agreed to recommend the audited Financial Statements to Council subject to this amendment.

Action: [c] Director of Finance, Council Secretariat


2017.022 The Committee considered the external audit report on the Financial Statements 2016-17 and the draft Letter of Representation. The following points were noted:
[a] Deloitte reported that the audit had not highlighted any significant issues. The report was still in draft, but there was nothing to report from the continuation of their work. The External Auditors commended the Finance Department for the production of high quality Financial Statements.

[b] A recommendation had been made in relation to accounting for research grant income. Purchase orders had not been raised and goods receipted prior to year-end which meant that expenditure had not been recognised in the correct year. The Finance Directorate was working with the Joint Research Management Office to ensure that the correct accounting procedures were followed.

[c] The External Auditors had identified a non-material amount of expenditure that had been treated as capital but was considered to be revenue in nature. The Finance Directorate had disagreed with this conclusion given that the costs were directly attributable to the capital project. Deloitte would review the treatment of demolition costs on future projects on a case by case basis with Finance.

[d] A paragraph on page 8 of the report appeared to be incomplete. The External Auditors would review the text and report if there was anything significant missing.

[e] A revaluation of the estate had been undertaken as part of the introduction of FRS102. However, it had not been possible to assign values to individual elements of major assets within the fixed asset register. As a result it could be difficult to ensure that disposals were identified at the appropriate time where replacement/refurbishment projects were undertaken. This was a historic issue which would be addressed when assets were fully depreciated and removed from the fixed asset register.

[f] The External Auditors gave a presentation on the key regulatory challenges facing the Higher Education sector, and highlighted the introduction of the General Data Protection Regulation in May 2018 as a major challenge. A one-page update on QMUL’s preparations for the GDPR along with an updated risk register would be considered by the Committee at its next meeting.

[g] The Committee noted the contents of the External Auditors report.

[h] The Committee requested that in future the Executive include on the coversheet to the Financial Statements details of the key areas of accounting judgement in preparing the Financial Statements and report on any discussion relating to these key areas of accounting judgement at QMSE.

**Letter of Representation**

[i] It was noted that the Letter of Representation contemplated signature on behalf of Council and that Council members were asked to confirm the representations to the best of their knowledge and belief after adequate enquiries of management and staff. The Committee sought and received specific assurances from the Chief Operating Officer, the Director of
Finance, the President and Principal representing QMSE, and the Academic Registrar and Council Secretary that the Letter of Representation could be signed on behalf of Council.

[j] The Committee approved for recommendation to Council the Letter of Representation subject to amendments to the numbering on page 3. The Committee noted that the letter was required by the External Auditors but did not require submission to HEFCE as stated on the cover sheet.

[k] The Committee recorded that Melissa Tatton, as the Chief Executive for the Valuation Office Agency at HMRC, had not provided any advice in relation to point 11 of the letter regarding tax provision.

Actions:
[d], [j] Deloitte
[f] Council Secretariat
[h] Finance Director

Part 3: Statutory and Regulatory Compliance

Annual report on data quality and returns to HEFCE, HESA and the SLC [Presentation]

2017.023 The Committee received a presentation from the Director of Strategic Planning on data quality and returns to HEFCE, HESA and the SLC. The following points were noted:

[a] The systems and processes for the production of data for external returns were sound. However, there were some instances where locally-held datasets increased the risk of inconsistency with the data held on central systems. The introduction of the GDPR has provided additional impetus for reducing the likelihood of errors occurring when making external returns. Work is being done with IT to ensure that Schools and Institutes can access the information and data as required which will eliminate the need for data to be held locally.

[b] Based on the information received, the Committee confirmed that it was satisfied with the adequacy and effectiveness of the arrangements for the management and quality assurance of data returns to external bodies.

Value for Money Annual Report [ARC2017/18]

2017.024 The Committee considered the Value for Money annual report. The following points were noted:

[a] The report showed how QMUL was promoting value for money in 2016-17 and 2017-18. Last year, an analysis of TRAC and benchmarking data was used to inform targets for the planning round and to identify opportunities for process improvement. New initiatives planned for 2017-18 included the Professional Services change programme; the adoption of a new cash generation target; and the development of an information management dashboard.
[b] Unlike last year, QMUL was not required to submit a full report on VfM to HEFCE, but would be required to submit the Annual Efficiency Return by the end of January 2018. Although this deadline was before the next Committee meeting, the Committee would have the opportunity to review the submission retrospectively at its meeting in March 2018. The Committee agreed that Monica Chadha, as external lead on the Committee for value for money, would be asked to review the return prior to its submission.

[c] HEFCE had revised its definition of VfM to encompass the four ‘E’s’: economy (spending less), efficiency (spending well), effectiveness (spending wisely) and equity (spending fairly).

[d] The Committee noted there was some lack of clarity regarding the metrics that were being used to demonstrate Value for Money at QMUL and to which the Committee could hold QMSE to account. Cash generation targets had been identified as one appropriate metric by QMSE, but staff costs as a percentage of income and surplus as a percentage of turnover were still referenced within the VfM report and the Financial Statements. For the purposes of clarity, it was agreed that the report would be amended.

[e] It was also agreed that QMSE would propose an appropriate measure or measures to evaluate QMUL’s underlying performance in achieving VfM for consideration by the Committee later in the financial year.

[f] The Committee noted the opinion from the Internal Auditors and the detailed examples of VfM activities set out in an appendix to the report. It was satisfied that the report provided evidence of progress in embedding value for money within QMUL activities and processes, particularly as part of the annual planning process, although it was noted that actions to address some of the issues identified through benchmarking were still in the course of development and/or implementation.

**Actions:**
[b] Chief Operating Officer  
d] Chief Operating Officer  
e] QMSE

**Annual Report on Prevent Duty [ARC2017/19]**

2017.025 The Committee considered the Annual Report on the Prevent Duty. The following points were made:

[a] The risk register had been updated to show a reduced risk in some areas. This reflected the fact that there was greater institutional awareness of the Prevent Duty, and that there had been an opportunity to evaluate the arrangements for compliance over this time.

[b] Effective policies and procedures were in place related to external speakers and events, safeguarding, internet filtering and acceptable use of IT that were continuing to be implemented.
[c] Enhanced training for staff would be taking place over the coming year in collaboration with the Regional Prevent Coordinator.

[d] It was reported that there was good engagement with QMSU on the development and implementation of relevant policies, especially where these related to student welfare and events management.

[e] It was confirmed that there had been no unreported incidents or changes to policy since the report had been prepared.

[f] The Committee agreed that the arrangements for complying with the Prevent Duty were satisfactory and recommended that Council could make the required assurances to HEFCE.

**Part 4: Financial Control**

**Fraud/Financial irregularities occurring since the last meeting [Oral report]**

2017.026 Minute 2017.026 is confidential.

**Part 5: Risk Management**

**Whistleblowing cases since the last meeting [Oral report]**

2017.027 Minute 2017.027 is confidential.

**Part 6: Committee Management and Reporting**

**Audit and Risk Committee Annual Report 2016-17 Draft 2 [ARC2017/20]**

2017.028 The Committee considered the second draft of the Committee’s annual report. The following points were noted:

[a] 5.2 should read the ‘External Audit Plan for 2016-17’.

[b] A sentence on the Committee’s view of the smooth transition of the new President and Principal should be included in 14.1.

[c] Additional context should be included in 13.1.3 to clarify that the responsibilities of the Committee include giving assurance about the accuracy of data provided to external agencies, rather than the protection of the data.

[d] The Committee agreed that the final draft of the report would be circulated to members following the meeting for approval.

*Actions:*

[a] - [d] Council Secretariat

**Committee Effectiveness Report [ARC2017/21]**

2017.029 The Committee considered the Committee Effectiveness Report and discussed proposals for improvement. The following points were noted:
[a] The results of the survey showed that the Committee was working effectively, but some areas for improvement had been identified.

[b] The Committee agreed that it would be beneficial to learn about best practice in audit committees at other institutions. This knowledge could be gained by bringing in speakers from other institutions. The Committee agreed that it would also request feedback from the External and Internal Auditors during the annual in camera meetings.

[c] The response rate to the survey by regular attendees to the Committee was lower than expected. The Committee agreed that it was preferable to deliver feedback through one-to-one meetings with the Chair or secretariat, rather than by electronic survey. It was noted that this had already been discussed by Governance Committee and would be take forward in the coming year.

[d] The Chair agreed to meet with co-opted members of the Committee in the next few months to review their performance and to discuss Committee effectiveness.

Actions:
[b], [c] Council Secretariat
[d] Chair, Council Secretariat

*Draft Agenda for next meeting [ARC2017/22]*

2017.030 The Committee received the draft agenda for the next meeting on 8 March 2018.
AUDIT AND RISK COMMITTEE
Tuesday 14 November 2017

DRAFT UNCONFIRMED CONFIDENTIAL MINUTES

Present:
David Willis (Chair) Kathryn Barrow Monica Chadha
Nadim Choudhary Melissa Tatton

In attendance:
Professor Colin Bailey Sue Barratt (External Audit) Professor Edmund Burke
Paul Cuttle (Internal Audit) Laura Gibbs Joanne Jones
Nadine Lewycky Siân Marshall Jonathan Morgan
Catherine Murray Julian Reeve (External Audit) Paul Thomas (External Audit)
Janice Trounson

Apologies
Neil Thomas (Internal Audit)

Part 1: Preliminary Items

Matters Arising

2017.020 Update on the potential fraud in the Faculty of Science and Engineering

[f] The Director of Finance provided an update on the loss of equipment in the Faculty of Science and Engineering that was reported to Council at its last meeting. The investigation had concluded that it was not possible to state whether the equipment had been lost or stolen, only that it could not be accounted for. The value of the equipment lost was £50k, and the replacement value was closer to £150k. Improved asset register management procedures and security were now in place and the matter was being reported to HEFCE in line with the requirements of the Memorandum of Assurance and Accountability.

Part 4: Financial Control

Fraud/Financial irregularities occurring since the last meeting [Oral report]

2017.026 The Deputy Director of Finance reported on incidences of potential fraud/financial irregularities which had occurred since the last meeting:

[a] There had been incidents of attempted fraud on QMUL’s suppliers by individuals unconnected with QMUL. Three QMUL suppliers reported that they had received emails claiming to be from QMUL seeking to procure goods. The Finance Department had taken preventative measures to alert suppliers to potential fraud. The Committee noted that these cases had been reported to the police but that no actual fraud had occurred.
[b] A member of staff in one of the academic schools had created a fake invoice from a supplier in order to facilitate a payment. In accordance with first stage of the disciplinary procedure, HR had launched an investigation.

[c] The internal auditors had been asked to review transactions made by the subsidiary company Mary Education Management Advisory (Beijing) Co. Limited following a request to increase budget.

**Part 5: Risk Management**

**Whistleblowing cases since the last meeting [Oral report]**

2017.027 The Academic Registrar and Council Secretary *reported* that a disclosure had been made under the whistleblowing policy. An investigation was ongoing into potential misconduct in clinical research involving animals. Reports had been sent to the relevant external agencies. An update would be given at the next Committee meeting unless the investigation showed that the incident was of sufficient gravity for the Committee Chair to be informed prior to that time.
Executive Summary

External Audit

1. Prior to the meeting, members of the Committee held an *in camera* (private) meeting with the External Auditors, Deloitte. We were pleased to hear that Deloitte believe improvements have been made both within the Finance Team and in how Finance work together with the Estates and Facilities Directorate and schools and institutes. There are no points from the *in camera* meeting that the Committee need to draw to the attention of Council.

2. We considered the audited 2016/17 Financial Statements which are currently undergoing final review by the External Auditors and Finance. We received assurance that there were no changes to, or issues relating to, the application of accounting policies. We asked that a section outlining QMUL’s principal risks be included within the Strategic Review and we agreed to recommend the Financial Statements to Council subject to this.

3. We considered the 2016/17 External Audit Report which was presented by the External Auditors. The Auditors had not identified any significant issues and they commended QMUL on the production of the first draft Financial Statements as “the best they had seen all year”. The Finance Director and her team are to be commended for this.

4. We considered in detail the recommendations made by the External Auditors in relation to accounting for research grant income, major capital projects and fixed assets, which have all been accepted by QMUL. We were satisfied that the actions proposed were appropriate.

5. The External Auditors highlighted the General Data Protection Regulation (GDPR), which comes into force in May 2018, as a key regulatory development that posed a significant challenge to the sector. We have previously received confirmation as part of the annual report on legal compliance that QMUL is implementing the Regulation in an appropriate way but asked for a one page update on progress at our March meeting.

6. We considered the Letter of Representation which is required by the External Auditors as part of the audit of the 2016/17 Financial Statements. The Committee received assurances from the Chief Operating Officer, the Director of Finance, and the President and Principal on behalf of QMSE and from the Academic Registrar and Council Secretary that there was no reason the Committee could not recommend the Letter to Council for signing.

Statutory and Regulatory Compliance

7. We received a presentation on the management and quality assurance of external data returns from the Director of Strategic Planning. We heard that there were some issues with data held locally that were being addressed and that all local data would be migrated onto centrally-managed systems within the next few years. The Committee noted that the implementation of the GDPR provides the university with an opportunity to improve its management of data and information. Based on the information received, the Committee confirmed that it was satisfied with the adequacy and effectiveness of the arrangements for the management and quality assurance of data returns to external bodies.
8. We considered the annual report on Value for Money (VfM) which showed the activities undertaken by QMUL in 2016/17 towards promoting and securing VfM as well as plans for 2017/18. We noted that HEFCE is now defining value for money as economy (spending less), efficiency (spending well), effectiveness (spending wisely) and equity (spending fairly). QMUL is not required by HEFCE to submit a full report this year, but data would be collected through an Annual Efficiency Return due by 31 January 2018. We will review QMUL’s return retrospectively at our March 2018 meeting.

9. We were satisfied that the report provided evidence of significant progress in embedding value for money within QMUL activities and processes, particularly as part of the annual planning process, although we noted that actions to address some of the issues identified through benchmarking were still in the course of development and/or implementation.

10. We discussed the financial metrics relevant to VfM and as a result some changes have been made to the report to clarify the position. In particular, the Executive is to propose an appropriate measure for consideration by the Committee later in the financial year. The report has been circulated to Council for information.

11. We considered the Annual Report on the Prevent Duty. QMUL has updated its risk assessment and has in place relevant policies and procedures that were continuing to be implemented, as well as training of key members of staff and ongoing engagement by senior officers at QMUL. We were satisfied with the arrangements that QMUL has in place to comply with the Prevent Duty and recommend that Council can make the required assurances to HEFCE.

Financial Control

12. The Deputy Director of Finance reported that there had been incidents of attempted fraud on our suppliers by individuals unconnected with QMUL. Three QMUL suppliers reported that they had received emails claiming to be from QMUL seeking to procure goods. The Finance Department has taken preventative measures to alert suppliers to potential fraud. The Committee noted that these cases had been reported to the police but that no actual fraud had occurred.

13. The Deputy Director of Finance reported that a member of staff in one of the academic schools had created a fake invoice from a supplier. The Committee noted that HR had launched an investigation and disciplinary proceedings.

14. We also heard that the Finance Department has asked QMUL’s Internal Auditors to review transactions made by the subsidiary company Mary Education Management Advisory (Beijing) Co. Limited following a request to increase budget.

15. We received a further update on the loss of equipment in the Faculty of Science and Engineering that was reported to Council at its last meeting. The investigation had concluded that it was not possible to state whether the equipment had been lost or stolen, only that it could not be accounted for. The value of the equipment lost was £50k, however the replacement value was closer to £150k. Improved asset register management procedures and security were now in place. The matter had been reported to HEFCE in line with the requirements of the Memorandum of Assurance and Accountability.

Risk Management

16. We received a report of a disclosure under the whistleblowing policy. An investigation is ongoing into potential misconduct in clinical research involving animals. Reports had been sent to the relevant external agencies. An update would be given at the next Committee
meeting unless the investigation showed that the incident was of sufficient gravity for the Committee Chair to be informed prior to that time.

Committee Management and Reporting

17. We considered the second draft of the Audit and Risk Committee annual report and noted some minor amendments. A final draft, incorporating the conclusions of discussions at the meeting, would be circulated for members to approve before being submitted to Council and HEFCE.

18. We considered the Committee Effectiveness Report, which had concluded that the Committee was working effectively but that there was scope to increase opportunities for professional development and sharing best practice from the sector. We considered that bringing in speakers with experience of working across the Higher Education sector would be able to offer Committee members valuable perspectives on good working practices. We also agreed that the Internal and External Auditors could be asked to share their experiences of other audit committees at the annual in camera meetings.

19. We were disappointed by the low response rate to the survey from regular attendees at the Committee and expressed a preference for giving feedback through conversations with the Chair or secretariat, rather than by electronic survey. We noted that this had been discussed at Governance Committee and would be taken forward in the coming year.

20. As Chair of the Committee, I have offered to meet with co-opted members in the next few months to review their performance and provide an opportunity to raise any issues.

21. Council is asked to note the executive summary of the Audit and Risk Committee meeting held on 14 November 2017.
Audit and Risk Committee is asked to note the matters arising from the minutes of the meetings held on 02 October 2017 and 14 November 2017 which do not appear elsewhere on the agenda.

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<th>Matters Arising</th>
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<tr>
<td><strong>Outcome requested:</strong></td>
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<td><strong>Executive Summary:</strong></td>
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<td><strong>QMUL Strategy: strategic aim reference and sub-strategies</strong></td>
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<td><strong>Internal/External regulatory/statutory reference points:</strong></td>
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<td><strong>Strategic Risks:</strong></td>
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<td><strong>Equality Impact Assessment:</strong></td>
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<td><strong>Confidential paper under FOIA/DPA</strong></td>
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<td><strong>Senior Management/External Sponsor:</strong></td>
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Audit and Risk Committee is asked to note the following matters arising from the minutes of the meeting held on 14 November 2017.

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<th>Minute no.</th>
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<tr>
<td>2017.020[b]</td>
<td><strong>Matters Arising [ARC2017/15]: Strategic Risk Register</strong>&lt;br&gt;The Committee agreed to receive a deep dive on student experience, focusing on a priority area such as retention, employability or student satisfaction within a particular faculty. The Chief Operating Officer would liaise with the Vice-Principal for Student Experience, Teaching and Learning to identify a specific topic for the deep dive.</td>
<td>COO, VP SETL</td>
<td>Dr Coleen Cotter, Dean for Taught Programmes in the Faculty of Humanities and Social Sciences, will present a deep dive focusing on retention at the Committee’s meeting in June 2018.</td>
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<tr>
<td>2017.020[c]</td>
<td><strong>Matters Arising [ARC2017/15]: Strategic Risk Register</strong>&lt;br&gt;The Committee acknowledged that for a deep dive to be effective, members would need the opportunity to scrutinise a written report in advance of a presentation. It was agreed that deep dive presentations should be accompanied by additional reading provided prior to the meeting, such as a copy of a relevant strategy and risk register or a summary of the management of risks and controls in the particular area.</td>
<td>Council Secretariat</td>
<td>The Council Secretariat will work with paper authors to ensure that members receive some background reading ahead of deep dive presentations, which may include presentation slides where other documentation is not available.</td>
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<td>2017.021[c]</td>
<td><strong>Audited Financial Statements 2016-17 [ARC2017/16]</strong>&lt;br&gt;The Committee agreed that the Strategic Review should include a section outlining the principal risks facing the organisation. The Committee agreed to recommend the audited Financial Statements to Council subject to this amendment.</td>
<td>Director of Finance, Council Secretariat</td>
<td>The revised audited Financial Statements were approved by Council on 30 November 2017.</td>
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<tr>
<td>2017.022[d]</td>
<td><strong>External Audit Report on Financial Statements 2016-17 and Representation Letter [ARC2017/17]</strong>&lt;br&gt;A paragraph on page 8 of the report appeared to be incomplete. The External Auditors would review the text and report if there was anything significant missing.</td>
<td>Deloitte</td>
<td>The report was reviewed and a minor amendment made.</td>
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<td>2017.022[f]</td>
<td><strong>External Audit Report on Financial Statements 2016-17 and Representation Letter [ARC2017/17]</strong>&lt;br&gt;The External Auditors gave a presentation on the key regulatory challenges facing the Higher Education sector, and highlighted the introduction of the General Data Protection Regulation in May 2018 as a major challenge. A one-page update on QMUL’s preparations for the GDPR along with an updated risk register would be considered by the Committee at its next meeting.</td>
<td>Council Secretariat</td>
<td>An update on QMUL’s GDPR preparations will be provided is not included in this report but will be provided to members in time for the meeting.</td>
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<td>2017.022[h]</td>
<td>External Audit Report on Financial Statements 2016-17 and</td>
<td>The Committee requested that in future the Executive include on the coversheet to the Financial Statements details of the key areas of accounting judgement in preparing the Financial Statements and report on any discussion relating to these key areas of accounting judgement at QMSE.</td>
<td>Finance Director</td>
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<td>Representation Letter [ARC2017/17]</td>
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<td>Representation Letter [ARC2017/17]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.024[b]</td>
<td>Value for Money Annual Report [ARC2017/18]</td>
<td>The Committee agreed that Monica Chadha, as external lead on the Committee for value for money, would be asked to review the Annual Efficiency Return prior to its submission.</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>2017.024[d]</td>
<td>Value for Money Annual Report [ARC2017/18]</td>
<td>The Committee noted there was some lack of clarity regarding the metrics that were being used to demonstrate Value for Money at QMUL and to which the Committee could hold QMSE to account. Cash generation targets had been identified as one appropriate metric by QMSE, but staff costs as a percentage of income and surplus as a percentage of turnover were still referenced within the VfM report and the Financial Statements. For the purposes of clarity, it was agreed that the report would be amended.</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>2017.024[e]</td>
<td>Value for Money Annual Report [ARC2017/18]</td>
<td>It was also agreed that QMSE would propose an appropriate measure or measures to evaluate QMUL’s underlying performance in achieving VfM for consideration by the Committee later in the year.</td>
<td>QMSE</td>
</tr>
<tr>
<td>2017.028]</td>
<td>Audit and Risk Committee Annual Report 2016-17 Draft 2</td>
<td>[a] 5.2 should read the ‘External Audit Plan for 2016-17’. [b] A sentence on the Committee’s view of the smooth transition of the new President and Principal should be included in 14.1.</td>
<td>Council Secretariat</td>
</tr>
<tr>
<td></td>
<td>[ARC2017/20]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.029[b]</td>
<td>Committee Effectiveness Report [ARC2017/21]</td>
<td>Members are invited to identify topics on which they would be interested to receive further information.</td>
<td></td>
</tr>
<tr>
<td>---</td>
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<td></td>
</tr>
<tr>
<td>Committee agreed that it would be beneficial to learn about best practice in audit committees at other institutions. This knowledge could be gained by bringing in speakers from other institutions. The Committee agreed that it would also request feedback from the External and Internal Auditors during the annual in camera meetings.</td>
<td>Council Secretariat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017.029[d]</td>
<td>Committee Effectiveness Report [ARC2017/21]</td>
<td>Meetings between the Chair and co-opted members were held in February 2018.</td>
<td></td>
</tr>
<tr>
<td>The Chair agreed to meet with co-opted members of the Committee in the next few months to review their performance and to discuss Committee effectiveness.</td>
<td>Chair, Council Secretariat</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Audit and Risk Committee is asked to note the following matters arising from the minutes of the meeting held on 02 October 2017.

<table>
<thead>
<tr>
<th>Minute no.</th>
<th>Action</th>
<th>Person responsible</th>
<th>Progress</th>
</tr>
</thead>
</table>
| 2017.004[c] | Strategic Risk Register [ARC2017/03]  
Members were pleased with the progress made in revising the Register and requested that more detail on the controls and timescales for reducing risks be included in the next update. | SRMG | An oral update will be provided by the Vice-Principal (Science & Engineering) under item 5 of the agenda. |
| 2017.006[d] | Legal compliance report [ARC2017/04]  
A review of QMUL’s estate had been undertaken to ensure adequate protection in the area of fire safety and further information would be reported to the Committee in due course. | Director of Health and Safety | An update from the Director of Health and Safety is appended to this report. |
| 2017.013[d] | Fraud/Financial irregularities occurring since the last meeting [Oral report]  
Members requested a written report once the investigation was concluded into the lost equipment. | Finance Director | A report on the lost teaching equipment from the School of Biological and Chemical Sciences is appended to this report. |
Appendix 1

PROGRESS UPDATE REPORT OF FAÇADE FIRE SAFETY INSPECTIONS

This paper provides an update on actions that have been taken by QMUL in relation to the fire safety risks associated with building cladding. Following the Grenfell Tower fire, QMUL appointed ARUP to conduct façade fire safety inspection of the 13 highest risk buildings in order to establish the fire safety risk associated with each. These buildings were identified due to use (i.e. residential), height (above 18 metres) and having a cladding system installed.

ARUP’s assessment identified ‘No Immediate Life Safety Risks’ within any of the buildings inspected, however, recommended a number of actions. Table below shows the progress made on actions reported to the Audit and Risk Committee in November 2017.

<table>
<thead>
<tr>
<th>Recommendations</th>
<th>Progress to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Incorporate the findings of the report into the building fire safety risk assessments</td>
<td>Action closed.</td>
</tr>
<tr>
<td>3. Carry out remedial works to fill gaps in fire proofing to the under croft at Innovation Centre (QMBio)</td>
<td>QMBio have confirmed that the budget has been approved to carry out the works and they are being programmed.</td>
</tr>
<tr>
<td>4. Put in place measures to address the fire spread between the Bancroft substation and Fieldon House</td>
<td>Design recommendation for the Fielden House/ Francis Bancroft Substation completed on 16 February 2018 and funding approved.</td>
</tr>
<tr>
<td>5. Review the need to inspect and repair cavity barriers in external wall to Pooley House, Abernety, Wingate, France House, Joseph Priestly and Fieldon House.</td>
<td>Action Open</td>
</tr>
<tr>
<td>6. QMUL to support the building fire safety risk assessments by ensuring that the following fire safety precautions are working reliably:</td>
<td></td>
</tr>
<tr>
<td>6.1. Decibel levels at bedheads in residential bedrooms have been tested and are in line with British Standards recommendations.</td>
<td>Action Open - A testing programme is ongoing.</td>
</tr>
<tr>
<td>6.2. All escape routes staircase are protected and the construction and fire stopping of any service penetrations are sound.</td>
<td>Action Open - An inspection programme is ongoing. Bureau Veritas has been appointed to carry out spot check inspections, however there has been a delay in getting them added to the suppliers list. In the meantime, Bureau Veritas have started the desk survey and will provide a programme of surveys w/c 13.03.18.</td>
</tr>
<tr>
<td>6.3. All escape routes are clear of hazards and checked daily.</td>
<td>Action Closed - the process is now in place.</td>
</tr>
<tr>
<td>6.4. The stairs can cope with full-simulated fire evacuation.</td>
<td>Action Closed.</td>
</tr>
<tr>
<td>6.5. All fire alarm systems are operational, ensuring buildings evacuate in a single action.</td>
<td>Action Closed.</td>
</tr>
<tr>
<td>6.6. Fire exit signage is in place and emergency lighting working.</td>
<td>Action Closed.</td>
</tr>
<tr>
<td>6.7. Compartment floors and walls are sound, fire doors are not wedged open (unless on magnetic locks)</td>
<td>Action Closed.</td>
</tr>
</tbody>
</table>

Prepared by Zarah Laing, Director of Health and Safety, 22/02/2018
Appendix 2

Summary of lost teaching equipment from the School of Biological and Chemical Sciences

In accordance with the HEFCE memorandum of assurance and accountability this loss has been reported to HEFCE, Chair of Audit, Chair of Council, Head of internal audit and the external auditors in November 2017.

1. An audit of equipment was developed and maintained the School Teaching Technician Manager (TTM). The post holder took maternity leave and her replacement proved to be a poor appointment, she resigned, after a disciplinary hearing.

2. When the post holder returned from maternity leave, her audit revealed that teaching equipment had gone missing from the FOGG Building teaching laboratories.

3. The missing equipment comprises old microscopes and broken spectrophotometers but also some relatively new microscopes and spectrophotometers to furnish the large u/g teaching laboratory (1.01) and service the larger number of undergraduate students.

4. The missing equipment has a value of approximately £50,000, the replacement value was £150k.

5. The TTM and others checked the School’s buildings, other technicians in the school, school managers in Faculty of Science & Engineering, and Blizard Institute/Abernethy, but these searches and enquires have not uncovered the missing equipment. HR contacted the departed technicians but no additional information was forthcoming.

6. An insurance claim was not possible as it was not clear that the equipment had been stolen. The incident was not reported to the police for the same reason.

7. We believe three factors contributed to the loss of the equipment:

   (i) The poor performance of the TTM covering maternity leave of the permanent postholder.

   (ii) A rolling refurbishment of the Fogg building including the teaching laboratories, during this time teaching equipment was moved from one teaching laboratory to another to allow refurbishment. One teaching Laboratory 3.04 was particularly insecure for storage because of the fire escape access.

   (iii) There was a technical staff restructure which resulted in technical staff dissatisfaction and several technical staff took early retirement including two who worked in the FOGG building.

8. We concluded that the unusual combination of: incompetent TTM, demotivated staff due to restructure, loss of technical staff, and general chaos caused by extensive programme of refurbishment in the FOGG building led to the equipment loss.

9. Following the loss procedures have been strengthened as follows:

   Improvements to the asset register:

   - The asset register has been updated to also include serial numbers. All equipment is labelled with QMUL logo and have been numbered.
A log of equipment borrowed from the teaching laboratories is kept (information logged includes who, when, equipment type and serial number).

The TTM carries out a regular inspection of all laboratories with Fogg Building to ensure that there are no teaching laboratory equipment being used in the research laboratories.

**Improvements to security**

- Most of the equipment for teaching is kept in the 1st floor teaching laboratory. The 1st floor lab in the Fogg Building is locked at all times when technicians are not in the laboratory.

- The most valuable equipment (fluorescent microscopes and some Biomedical Sciences equipment) is locked inside the cupboards and only the teaching technicians have keys for these cupboards.

- Very limited equipment is now in the third floor teaching laboratory, as the fire exit for the 3rd floor is at the back of the laboratory, therefore the room cannot be when not in use.

10. As part of our annual internal audit programme we commission an audit of School compliance to financial regulations, the School of Biological and Chemical Sciences has been selected for the 2017–18 audit.
VfM is monitored, measured and reported in line with best practice guidance from HEFCE (Oct 2017). A strategic overview and summary of VfM activities undertaken during 2017/18, including approach, actions and results achieved, will be reported to QMSE and ARC in November/October 2018. The aim of the report will be to provide a holistic view of VfM performance and identify areas for development as well as existing areas of strength.

Proposed and appropriate measures to evaluate QMUL’s underlying performance in achieving VfM are identified below. Appropriate targets against each measurement are yet to be agreed.

Thematic areas around teaching, research and knowledge exchange have not be included as specific targets as they are covered by external frameworks (ie TEF, REF, etc.) and progress against external benchmarks will be included within the annual report.

<table>
<thead>
<tr>
<th>Thematic Area</th>
<th>VfM Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching</td>
<td>Narrowing the gap of TRAC teaching costs against peer-group benchmark</td>
</tr>
<tr>
<td>Estates</td>
<td>Improvement in m2 space per staff/student</td>
</tr>
<tr>
<td></td>
<td>Improve space efficiency and quality through the measurement of utilisation and condition</td>
</tr>
<tr>
<td>Financial Performance</td>
<td>Exceeding performance against cash generation targets</td>
</tr>
<tr>
<td></td>
<td>Mean or upper quartile performance against HEFCE financial KPIs (with the exception of already agreed borrowing margin)</td>
</tr>
<tr>
<td>Research</td>
<td>Improving £ research income per academic</td>
</tr>
<tr>
<td>Procurement</td>
<td>To achieve £3.75m savings in both cash and non-cash</td>
</tr>
</tbody>
</table>
## Summary of HEFCE thematic areas, types of gain and key themes

<table>
<thead>
<tr>
<th>Theme</th>
<th>Type of Gain</th>
<th>Definition</th>
<th>HEFCE's Key Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Economy</strong></td>
<td>The institution has reduced its costs by purchasing goods or services for a lower unit price or by lowering staff headcount.</td>
<td>• Use of purchasing consortia/framework contracts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Review of existing contracts and purchasing arrangements</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Competitive tendering for goods and services</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Negotiation with existing suppliers</td>
</tr>
<tr>
<td></td>
<td><strong>Efficiency - cash-releasing</strong></td>
<td>The institution has achieved cash savings by making more efficient use of its resources, i.e. achieving the same or a greater level of output for a lower input of financial resources.</td>
<td>• Energy efficiency measures</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Organisational or departmental restructuring</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Use of IT-based processes to reduce costs</td>
</tr>
<tr>
<td></td>
<td><strong>Efficiency - time-releasing</strong></td>
<td>The institution has freed up staff time by implementing more efficient ways of working, allowing such staff time to be invested elsewhere.</td>
<td>• Streamlining of operational and administrative processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Use of IT-based processes to free up staff time</td>
</tr>
<tr>
<td></td>
<td><strong>Efficiency - space-releasing</strong></td>
<td>The institution has freed up space or teaching/research capacity through the adoption of more efficient design, space configuration or ways of working.</td>
<td>• Restructuring activities to make more efficient use of space</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Centralising the management of space</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Remodelling of space to increase capacity</td>
</tr>
<tr>
<td></td>
<td><strong>Effectiveness</strong></td>
<td>The institution has implemented better ways of achieving desirable outcomes, such as improved student satisfaction or staff engagement.</td>
<td>• Initiatives to enhance the student experience</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Actions to increase staff engagement or productivity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Restructuring activities to better respond to student need</td>
</tr>
<tr>
<td></td>
<td><strong>Equity</strong></td>
<td>The institution has taken action to enhance its ability to reach all of the people for whom its activities and services are intended.</td>
<td>• Providing support to students with additional needs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Taking action to identify and support disengaged students</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Improving personal tutor support to students</td>
</tr>
<tr>
<td></td>
<td><strong>Income generation</strong></td>
<td>The institution has created new income streams that bring in additional financial resources.</td>
<td>• Introduction of charges for specific services</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Improved marketing of facilities to external users</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Introduction of public short course programmes</td>
</tr>
</tbody>
</table>
Briefing – GDPR Compliance Preparations in QMUL

Background and initial work

The General Data Protection Regulation replaces the Data Protection Act 1998 and will take effect from 25 May 2018.

Although many of the principles contained in the GDPR are similar to those in the DPA, there are some issues for QMUL to consider in order to ensure compliance. In particular, the GDPR:

- places greater emphasis on accountability, requiring organisations to be able to show how they comply with the data protection principles;
- increases the level of transparency required from organisations towards data subjects;
- requires organisations to follow more rigorous procedures when obtaining consent from data subjects;
- widens the definition of ‘personal data’, and incorporates new provisions on automated processing and profiling, to reflect developments in technology;
- introduces tougher penalties for non-compliance.

QMUL commenced planning in 2016 and since the Information Commissioner’s Office (ICO) published a toolkit in 2017, we have based our primary action plan on that. There are a number of work streams on both the technical side and the governance side.

A GDPR Task and Finish Group has been created chaired by Jonathan Morgan, with the following terms of reference to take work forward.

- To define and implement a programme of work through which QMUL will demonstrate compliance with the GDPR from May 2018.
- To ensure that its work is informed by current advice and relevant expertise.
- To consult on its work with student and staff representatives, if required.
- To report on its work to the Information Governance Group and to QMSE.

State of play at February 2018

We have been working on the review of documentation and policies with the assistance of external legal advice. As a result, the majority of privacy notices have been redrafted or created anew, the data processing agreement template has been updated and the Data Protection Policy is being redrafted. These will all be ready in time for the deadline to ensure compliance with principle 1 (fair, lawful and transparent processing).

Work is ongoing with a number of departments across QMUL to address specific requirements with the Records & Information Compliance Manager providing guidance.

IT Services contracted an external party (Ensono) to conduct a risk and readiness assessment. This work in ongoing and will provide QMUL with a form of gap analysis and list of tasks to prioritise so that we can address further areas of non-compliance with GDPR, in particular principles 3, 4 and 5 (regarding data minimisation and retention). ITS is also likely to engage another contractor to conduct a discovery exercise of unstructured personal data held on network drives. Among other things, its tools are able to identify data, map access permissions and detect cyber attacks. These tasks will assist with compliance (records of processing activities), to aid preparations to be able to fulfil requests made by data subjects exercising their rights and with principle 6 (security of data and its processing).
We will also review our processes for managing personal data breaches to enable us to meet the much shorter timescales for reporting these introduced by GDPR.

A series of meetings are being set up with staff to discuss the technical and security implications of deleting and archiving personal data in relation to our main student and staff systems. This will enable us to make decisions on what data needs to be kept and reduce the data held in line with existing or revised retention periods.

In addition, where cybersecurity is concerned, to ensure that information security is given the appropriate profile and consideration as an important element of the IT service at QMUL, a new role of Chief Information Security Officer (CISO) has been created. The CISO has developed a draft Cyber Security Strategy and funding has been allocated as part of the new ITS 10 Year Capital Framework. The strategy will be evolved in line with the new ITS Strategy and university strategy being developed. This is an important aspect of GDPR compliance.

**Risks and contingencies**

Further legal advice will be required in due course both to confirm that QMUL documentation and legal bases are appropriate and to take account of the Data Protection Bill, which is still not law.

Time is short and a lot of work is still required to map dataflows and data locations in particular. If this is not completed promptly, there is a risk that it will hold up other work, such as deletion of obsolete data e.g. in relation to applicants who do not go on to enrol at QMUL.

There are some areas of GDPR, for example on determining certain legal bases for processing, where important guidance from the ICO is still awaited. Without this crucial steer from the regulator, there are grey areas that affect our preparations, such as what consent may be required for the enrolment task of MySIS (the student records system).

We suspect that in academic departments there is likely to be a lot of over-retention of personal data and use of bespoke/’shadow IT’ systems, but do not know the extent of this. Audits should reveal the full scope of work required, which could be substantial.

Paul Smallcombe
Records & Information Compliance Manager
Audit and Risk Committee
ITS Deep Dive

Rhys Davies, Chief Information Officer
8th March 2018

Contents:

• Executive Summary
• Approach
  ▪ My Initial assessment
  ▪ My Approach to resolve the issues found
• Evidence
  ▪ Progress and plans
  ▪ ITS alignment with Strategic Risk Register
• Conclusion
Executive Summary – progress is being but there is a lot to do

- Significant issues were found with ITS when I analysed their capabilities on arrival
- A twin track approach to resolve was initiated
- ITS is delivering on this approach
  - Operationally, service and systems are improving
  - Strategically, an ITS Strategic Framework is being used to shape the 10 Year ITS Capital Framework and plan
- There is a clear plan and direction of travel, next steps are to:
  - Further improve ITS services at the Operational level
  - Develop and deliver the ITS Strategic plan in conjunction with the University Strategy
  - Develop the 10 year ITS programme to deliver the ITS and business strategy

Approach: My initial assessment - the ITS function I inherited had significant issues for QMUL

My first month: 90 meetings across the university to enable my initial assessment
- Listen, learn, analyse, play back solutions/options, agree an approach and plan
- Wannacry 12th May

Initial Assessment: sub-optimal ITS function, not engaged with the university, reactive
- No ITS vision or strategy, dysfunctional ITS leadership
- Service delivery poor, users frustrated
- Siloed systems with poor data governance, quality and usage
- Inward looking ITS culture with limited engagement with the university

Positives:
- ITS did a great job responding to Wannacry and minimising the adverse impact of it
- There was a recognition of the need for change in ITS and across QMUL
- this gave me optimism about the capacity to change, to work together, to engage proactively with users

Conclusion:
- Whilst significant, the issues are fixable with the right leadership & continuity of approach, it will take time
My approach to resolve the ITS issues / risks - structured, phased, evidence based

Overall aim: to remove & mitigate risk, create a ‘fit for purpose, right sized’ ITS function

- Operationally: focus & engage & stabilise, then drive continuous improvement & VFM
- Strategically: develop a holistic framework; then a sustainable strategic plan; then deliver
- Outcome: less reactive ITS, more mature; move from ad-hoc to objective, to be ‘fit for purpose’

To drive a twin-track approach with 3 main phases:

- Phase 1: urgently introduce operational stability, fix immediate leadership issues & develop a strategic framework
- Phase 2: to develop holistic, sustainable 10 year plan & to create ‘fit for purpose’ ITS capability
- Phase 3: to deliver on the plan mindful of changing demands, technology, compliance, funding etc

The desired characteristics of this programme:

- evidence based, transparent, well governed, principle and value driven business led and focused, structured
- open and collegiate culture, proactive customer focused behaviour, collaborative and interdisciplinary working
- risks to be identified and managed

This approach has been endorsed by QMSE

Progress and Plans - good progress although not at the pace I would like

Phase 1 - May to October 2017 - immediate improvements

Operationally
- focused on key university activities (Malta, Clearing, Enrolment etc)
- started engagement with schools and services, e.g. set up school engagement meetings
- addressing the ITS leadership challenges, created new Operations department, major systems now stable

Strategically
- ITS Strategic Framework created
- created & appointed CISO (Chief Information Security Officer)

Phase 2 - November to October 2018, develop sustainable ITS Strategic transformation plan

Operationally
- embed and extend service improvement

Strategically
- Cyber Security Draft Strategy developed
- develop ITS Strategic Plan alongside new university strategy and risk register
- develop 10 ITS Capital Programme Framework

Phase 3 - November 2018 onwards - deliver the transformation programme
Alignment with Strategic Risk Register

**Recruitment & Development of students and staff**
- engaging with key areas to understand and enable effective systems delivery

**Research Excellence**
- plan developed with Director of Research to enable these activities

**Public Engagement and Reputation**
- dialogue underway to support Director of Marketing & Communications

**Financial strength through balanced portfolio of activities**
- 10 Year ITS framework developed, to be reviewed by FIC on 13/3

**Governance, Business Continuity and Data Security**
- GDPR, working with Academic Registrar on this
- Cyber Security Strategy, draft prepared & funding included in 10 Year ITS plan
- Business continuity plan, to be reviewed in conjunction with new Estates Director

Conclusion – progress is being made but there is a lot to do

- Progress is being made in a structured manner, it will become more evidence based as it evolves

- There is a clear plan and direction of travel, next steps are to:
  - Further improve ITS services at the Operational level
  - Develop and deliver the ITS Strategic plan in conjunction with the University Strategy
  - Develop the 10 year ITS programme to deliver the ITS and business strategy

- The challenges are:
  - short-term:
    - getting the right resources to drive the programme forward at the desired pace
  - longer-term:
    - ensuring the programme is sustainable
<table>
<thead>
<tr>
<th><strong>Outcome requested:</strong></th>
<th>Audit and Risk Committee is asked to <strong>note</strong> the termly report on the College’s strategic risk management framework.</th>
</tr>
</thead>
</table>
| **Executive Summary:** | This is the termly report to Audit & Risk Committee which includes reports that have been produced from the Strategic Risk Register, updated by the Strategic Risk Management Group (SRMG) at its meeting on 7th December 2017.  
  - Summary Register  
  - Risk Matrix  
  - Change Log |
| **QMUL Strategy:** | The Strategic Risk Register is aligned to all areas of the Strategic Plan.  
  **strategic aim reference and sub-strategies [e.g., SA1.1]** |
| **Internal/External regulatory/statutory reference points:** | It is a HEFCE requirement for QMUL to hold a Strategic Risk Register. |
| **Strategic Risks:** | QMUL Strategic Risk Register |
| **Equality Impact Assessment:** | Not required |
| **Subject to prior and onward consideration by:** | QMSE 20 February 2018 |
| **Confidential paper under FOIA/DPA** | Yes – commercially sensitive. |
| **Timing:** | Termly report to Audit & Risk Committee |
| **Author:** | Monique Arthur, Senior Planning Officer |
| **Date:** | 15th February 2018 |
| **Senior Management/External Sponsor** | Prof Edmund Burke (Vice-Principal, Science & Engineering) |
Strategic Risk Register Update

An action from Audit and Risk Committee in June 2017 led to a Strategic Risk Register review and update. Following this review and the SRMG meetings in September and December 2017, the Chair of SRMG will provide a verbal update to Audit and Risk Committee on:

i. how controls will be applied
ii. the timescale for reducing risk

Risk Log

The table below is derived from the Strategic Risk Register, to identify to Audit & Risk Committee where exposure to risk has changed between the SRMG meetings of 5th September 2017 and 7th December 2017.

Risk scores – increases in risk

| Risk 14 – Failure to develop and implement strategic development projects in support of the university's overarching Strategic Plan (significant projects include LSI, Malta and joint programmes in China) |
|---|---|---|---|---|---|---|
| Impact (pre) | 4 (4) | Likelihood (pre) | 5 (3) | Impact (post) | 4 (4) | Likelihood (post) | 4 (2) |

There are risks associated with the Life Sciences Initiative pending an agreement on infrastructure, as was reported to Council in November 2017. In the meantime, we are progressing to develop the research in this area, particularly with a thematic focus on health data sciences, in partnership with Barts Health NHS Trust.

There are risks to the MBBS Malta programme due to an issue with the student residences and difficulties in student recruitment. There is a risk of under-recruitment to the MBBS Malta programme in its second year, although marketing for the programme has commenced earlier in order enhance the recruitment window. Health and safety concerns were raised in November 2017 with respect to fire safety in student accommodation, and recommended remedial work has yet to be completed by the contractor. There is some risk associated with social media reports of student complaints regarding accommodation, which may have an impact on recruitment. The long-term provision of student accommodation has yet to be resolved. The university has continued to cultivate a strong relationship with the Maltese Government, with QMUL expertise being lent to support the development of health policy in the country and surrounding region.

Risk Scores – reduction in risk

<table>
<thead>
<tr>
<th>Impact (pre)</th>
<th>Likelihood (pre)</th>
<th>Impact (post)</th>
<th>Likelihood (post)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No decreases in risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reference</td>
<td>Risk Group</td>
<td>Controls</td>
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</tr>
<tr>
<td>-----------</td>
<td>------------</td>
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<td>---------</td>
</tr>
<tr>
<td>Recruitment and development of students and staff of the highest calibre and potential</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Student recruitment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Student experience, teaching &amp; assessment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>High quality staff</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Research Excellence**

<table>
<thead>
<tr>
<th>Reference</th>
<th>Risk Group</th>
<th>Controls</th>
<th>Initial</th>
<th>Likelihood</th>
<th>Impact</th>
<th>Residual</th>
<th>Further Actions and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Research output</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Impact and Innovation</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
### Public Engagement and Reputation

- **Risk Group**: Strategic
- **Objective**: Further Actions and Notes

#### Further Actions
- Ongoing work to maximise the impact of the QMUL brand (ongoing)
- Reputation task & finish group (in progress)

#### Notes
- New Director of Marketing and Communication recruited with a focus on developing reputation
- QMUL has achieved the Gold National Coordinating Centre for Public Engagement chartermark

### Financial Strength through a Balanced Portfolio of Activities

- **Risk Group**: Strategic
- **Objective**: Further Actions and Notes

#### Further Actions
- Robust planning and forecast process that ensures management of cost base alongside income growth

#### Notes
- Risk of industrial action around pensions and financial issues surrounding USS pension scheme (risk of increasing cost to the university)

### Governance, Business Continuity and Data Security

- **Risk Group**: Strategic
- **Objective**: Further Actions and Notes

#### Further Actions
- Revised Planning Process (in progress)
- Effective project governance (in progress)

#### Notes
- High risks to the LSI programme following ongoing discussions with the NHS
- Significant high risks to the Malta programme due to Health and safety concerns in residences and difficulties in student recruitment

### Security of People, Assets and Data in-line with Current Legislation

- **Risk Group**: Strategic
- **Objective**: Further Actions and Notes

#### Further Actions
- Ongoing work with locally managed equipment
- Cyber security training launched in January 2018, needs further promotion to improve take-up
- New data regulatory – General Data Protection Regulation (GDPR)
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Strategic IOP</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRO</td>
<td>Chief Strategy Officer</td>
<td>Term</td>
</tr>
<tr>
<td>CCIO</td>
<td>Chief Operating Officer</td>
<td>Short</td>
</tr>
<tr>
<td>CCO</td>
<td>Chief Operating Officer (SMG)</td>
<td>Medium</td>
</tr>
<tr>
<td>Director of F</td>
<td>Director of Finance</td>
<td>Long</td>
</tr>
<tr>
<td>Director of HR</td>
<td>Director of Human Resources</td>
<td></td>
</tr>
<tr>
<td>Director of ITS</td>
<td>Director of Information Technology Services</td>
<td></td>
</tr>
<tr>
<td>Director of CAPD</td>
<td>Director of The Centre for Academic and Professional Development</td>
<td>Impact</td>
</tr>
<tr>
<td>Director of Estates and Facilities</td>
<td>Director of Estates and Facilities</td>
<td></td>
</tr>
<tr>
<td>Director of QM</td>
<td>Director of Queen Mary Innovation</td>
<td></td>
</tr>
<tr>
<td>Faculty VPs</td>
<td>Faculty Vice-Principal</td>
<td></td>
</tr>
<tr>
<td>FIC</td>
<td>Finance and Investment Committee</td>
<td></td>
</tr>
<tr>
<td>Director of M &amp; C</td>
<td>Director of Marketing &amp; Communications</td>
<td></td>
</tr>
<tr>
<td>HS</td>
<td>Heads of Schools, Institutes and Departments</td>
<td></td>
</tr>
<tr>
<td>CAPD</td>
<td>The Centre for Academic and Professional Development</td>
<td></td>
</tr>
<tr>
<td>MRAG</td>
<td>Marketing, Recruitment and Admissions Group</td>
<td></td>
</tr>
<tr>
<td>PAR</td>
<td>Planning and Accountability Review</td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>Principal</td>
<td></td>
</tr>
<tr>
<td>QMIL</td>
<td>Queen Mary Innovation Limited</td>
<td></td>
</tr>
<tr>
<td>QMSE</td>
<td>Queen Mary Senior Executive</td>
<td></td>
</tr>
<tr>
<td>SET</td>
<td>SMUG's School Executive Team</td>
<td></td>
</tr>
<tr>
<td>SMD</td>
<td>School of Medicine and Dentistry</td>
<td></td>
</tr>
<tr>
<td>TPFG</td>
<td>Taught Programmes Planning Group</td>
<td></td>
</tr>
<tr>
<td>VP (S&amp;E)</td>
<td>Vice-Principal for Public Engagement and Student Enterprise - Prof Peter McOwan</td>
<td></td>
</tr>
<tr>
<td>VP (Health)</td>
<td>Vice-Principal &amp; Executive Dean (Health) - Prof Steve Thornton</td>
<td></td>
</tr>
<tr>
<td>VP (H&amp;SS)</td>
<td>Vice-Principal (Humanities &amp; Social Sciences) - Prof Matthew Hilton</td>
<td></td>
</tr>
<tr>
<td>VP (Res)</td>
<td>Vice-Principal (Research) - Prof Bill Spence</td>
<td></td>
</tr>
<tr>
<td>VP (Int)</td>
<td>Vice-Principal (International)</td>
<td></td>
</tr>
<tr>
<td>VP (S&amp;E)</td>
<td>Vice-Principal (Science and Engineering) - Prof Edmund Burke</td>
<td></td>
</tr>
<tr>
<td>VP (SETL)</td>
<td>Vice-Principal (Teaching and Learning) - Prof Rebecca Lingwood</td>
<td></td>
</tr>
<tr>
<td>CCPVs</td>
<td>Cross-Cutting VPs</td>
<td></td>
</tr>
</tbody>
</table>

**Controls in Place**

- **A** indicates whether the Controls in place have been identified and are being implemented.
- **B** indicates that the Implementation has not been completed or is intermittent.
- **C** indicates that the Controls have been identified as missing or incomplete, or implementation has not commenced.

**Direction of Travel**

- **↑** indicates an improving position.
- **↔** indicates an unchanged position.
- **↓** indicates a worsening position.
- **N.B.** This may be a newly identified risk, as opposed to a new actual risk.

**Number of Risks Listed**

- **QMSE Lead for Estates & Facilities (RL):** Prof Rebecca Lingwood (Estates & Facilities) - 11
- **QMSE Lead for HR (ST):** Prof Steve Thornton (HR) - 7
- **QMSE Lead for IT (PMO):** Prof Peter McOwan (IT) - 4
- **QMSE Lead for Audit & Risk Committee (EB):** Prof Edmund Burke (ARC) - 4
- **QMSE Lead for QMSE (RL):** Prof Rebecca Lingwood (QMSE) - 3
- **QMSE Lead for CAPD (RL):** Prof Rebecca Lingwood (CAPD) - 2
- **QMSE Lead for Student Union (RL):** Prof Rebecca Lingwood (Student Union) - 1
- **QMSE Lead for Health and Safety (EB):** Prof Edmund Burke (Health and Safety) - 1
- **QMSE Lead for Finance (CO):** Jo Jones (Finance) - 1
- **QMSE Lead for QM (HUS):** Prof Bill Spence (Queen Mary Innovation Ltd) - 1

---

**Further Actions and Notes**

- **Residual Risk with current controls**
- **Residual Risk Score**
- **Direction of Travel**
- **Impact**
- **Likelihood**
- **Acronyms**
- **Ref Group**
# Risk Matrix: Risks before and with current controls

**7th December 2017**

## Catastrophic Impact
- Impact of risk materialising or opportunity lost will have a serious effect on performance or reputation in the long term:
  - Loss of over 2% of total turnover in consecutive years
  - Closure of a key business area
  - Substantial regulatory consequence
  - Sustained negative headlines in national press
  - Irreversible injury or death

## Major Impact
- Impact of risk materialising or opportunity lost will have a serious effect on performance or reputation in the medium term:
  - Loss of over 2% of total turnover in any year
  - Significant threat to a key business area
  - Major savings programme required to address this in the medium term
  - Significant regulatory consequence
  - Negative headlines in national press
  - Irreversible injury or death

## Moderate Impact
- Impact of risk materialising or opportunity lost will have a significant effect on performance or reputation in the short term:
  - Loss of up to 2% of total turnover in any year
  - Limited regulatory consequence
  - Local adverse publicity
  - Major reversible injury

## Minor Impact
- Impact of risk materialising or opportunity lost is unlikely to have any permanent or significant effect on performance or reputation:
  - Loss of less than 1% of total turnover
  - No regulatory consequence
  - Minor adverse publicity
  - Minor reversible injury

## Negligible Impact
- Minimal impact or no discernible impact at all.

### Risk Details

#### Key to Risks
- 1. Student recruitment
- 2. Student experience
- 3. High quality staff
- 4. Research income generation
- 5. Research output
- 6. Impact and Innovation
- 7. Regulatory Development and External Relations
- 8. Sustainable income streams for activities
- 9. Maintain effective and constructive governance
- 10. Failure to develop and implement strategic development projects in support of the university’s overarching Strategic Plan (significant projects include LSI, Malta and joint programmes in China)
- 11. Security of people, assets and data - appropriate contingency arrangements for facilities and functions

### Risk Severity

<table>
<thead>
<tr>
<th>High (14-25)</th>
<th>Moderate (7-13.9)</th>
<th>Low (0-6.9)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Severity</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

#### Likelihood

- **High (14-25)**: 2% likely to happen
- **Moderate (7-13.9)**: 5% likely to happen
- **Low (0-6.9)**: 10% likely to happen
- **Highest Likelihood (Almost Certain)**: 20% likely to happen

---

**Direction of travel since previous report**

- **Net risk assessed with Current Controls**
- **Net risk assessed before Controls**
- **Gross risk assessed**
- **Gross risk = Net risk**
### Strategic Risk Register Change Log 5th September 2017 vs 7th December

<table>
<thead>
<tr>
<th>Ref</th>
<th>Risk</th>
<th>Initial risk before any controls</th>
<th>Residual risk with current controls</th>
<th>Notes and reasons for change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>Impact L’hood</td>
<td>Impact L’hood</td>
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<tr>
<td>1</td>
<td>Student recruitment</td>
<td>5 (5)</td>
<td>4 (4)</td>
<td>3 (3)</td>
</tr>
<tr>
<td></td>
<td>Student experience: teaching, learning and assessment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Research income generation</td>
<td>4 (4)</td>
<td>5 (5)</td>
<td>4 (4)</td>
</tr>
<tr>
<td></td>
<td>Research output</td>
<td>4 (4)</td>
<td>5 (5)</td>
<td>4 (4)</td>
</tr>
<tr>
<td>3</td>
<td>High quality staff</td>
<td>4 (4)</td>
<td>3 (3)</td>
<td>3 (3)</td>
</tr>
<tr>
<td>4</td>
<td>Innovation and Impact</td>
<td>5 (5)</td>
<td>4 (4)</td>
<td>3 (3)</td>
</tr>
<tr>
<td>5</td>
<td>Reputational Development and External Relations</td>
<td>5 (5)</td>
<td>4 (4)</td>
<td>4 (4)</td>
</tr>
<tr>
<td>6</td>
<td>Sustainable Growth</td>
<td>4 (5)</td>
<td>4 (5)</td>
<td>4 (4)</td>
</tr>
<tr>
<td>7</td>
<td>Maintain effective and constructive governance</td>
<td>4 (4)</td>
<td>4 (4)</td>
<td>4 (4)</td>
</tr>
<tr>
<td>8</td>
<td>Failure to develop and implement strategic development projects in support of the university’s overarching Strategic Plan (significant projects include LSI, Malta and joint programmes in China)</td>
<td>4 (4)</td>
<td>5 (3)</td>
<td>4 (4)</td>
</tr>
<tr>
<td>9</td>
<td>Security of people, assets and data</td>
<td>5 (5)</td>
<td>4 (4)</td>
<td>4 (4)</td>
</tr>
</tbody>
</table>

- **1 Student recruitment**: The Office for Students (OfS) will be the regulatory body for the English higher education sector.
- **2 Research income generation**: Following HEFCE’s announcement, QMUL is now better informed in relation to the REF rules.
- **3 High quality staff**: Potential risk around REF and open data access compliance.
- **4 Research output**: Following HEFCE’s announcement, QMUL is now better informed in relation to the REF rules.
- **6 Innovation and Impact**: No changes made.
- **11 Sustainable Growth**: From April 2018 the Office for Students (OfS) will be the regulatory body for the English higher education sector.
- **13 Maintain effective and constructive governance**: Initial control likelihood increased from 3 to 5 and current control likelihood increased from 2 to 4 as there are high risks to the LSI programme following ongoing discussions with the NHS and significant high risks to the Malta programme due to health and safety concerns in residences and difficulties in student recruitment.
- **14 Failure to develop and implement strategic development projects in support of the university’s overarching Strategic Plan (significant projects include LSI, Malta and joint programmes in China)**: Initial control likelihood increased from 3 to 5 and current control likelihood increased from 2 to 4 as there are high risks to the LSI programme following ongoing discussions with the NHS and significant high risks to the Malta programme due to health and safety concerns in residences and difficulties in student recruitment.

---

**Notes and reasons for change**

- Note added: UKRI will be formed in April 2018.
- Note added: Planning and Accountability Review.
- Note added: New data regulation - General Data Protection Regulation (GDPR).
HEFCE Annual Assessment of Risk

<table>
<thead>
<tr>
<th>Outcome requested:</th>
<th>Audit and Risk Committee is asked to note the outcome of HEFCE’s annual assessment of institutional risk. The overall assessment is that QMUL is ‘not at higher risk’.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary:</td>
<td>The primary basis for HEFCE’s risk assessment of the financial sustainability, good management and governance of institutions is the annual accountability return submitted in December 2017, which includes the audited Financial Statements and the Annual Report of the Audit and Risk Committee. HEFCE’s overall assessment at this time is that QMUL is not at higher risk. In making this assessment HEFCE has concluded that QMUL is meeting the accountability obligations set out in the Memorandum of Assurance and Accountability and other HEFCE guidance. In addition to the letter, HEFCE provides information on the indicators and metrics that underpin the risk categorisation, which allows comparison of the relative financial performance of QMUL with the rest of the sector. HEFCE has not yet made this information available to institutions.</td>
</tr>
<tr>
<td>QMUL Strategy:</td>
<td>Strategic Aim 6: to achieve and sustain financial strength to enable our academic ambitions, through a balanced portfolio of activities.</td>
</tr>
<tr>
<td>Internal/External regulatory/statutory reference points:</td>
<td>HEFCE Memorandum of Assurance and Accountability</td>
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<tr>
<td>Strategic Risks:</td>
<td>11 – Sustainable income streams. 12 – Cost control, VfM and expenditure</td>
</tr>
<tr>
<td>Equality Impact Assessment:</td>
<td>No equality and diversity issues are highlighted in this paper.</td>
</tr>
<tr>
<td>Subject to Prior and Onward Consideration by:</td>
<td>QMSE 27 February 2018</td>
</tr>
<tr>
<td>Confidential Paper under FOIA/DPA:</td>
<td>Yes</td>
</tr>
<tr>
<td>Timing:</td>
<td>Annual report</td>
</tr>
<tr>
<td>Author:</td>
<td>HEFCE</td>
</tr>
<tr>
<td>Date:</td>
<td>07 February 2018</td>
</tr>
<tr>
<td>Senior Management/External Sponsor:</td>
<td>Professor Colin Bailey, President and Principal</td>
</tr>
</tbody>
</table>
7 February 2018

Professor Colin Bailey
Principal and President
Queen Mary University of London
327 Mile End Road
London
E1 4NS

Dear Professor Bailey,

HEFCE’s annual assessment of institutional risk: Queen Mary University of London

1. We have reviewed the annual accountability return that you submitted in December 2017 and I am now writing to you with our current view of the University’s risk status.

2. HEFCE’s risk categorisation on financial sustainability and good management and governance (FSMG) is set out in the table below:

<table>
<thead>
<tr>
<th>Financial sustainability, good management and governance matters</th>
<th>Not at higher risk</th>
</tr>
</thead>
</table>

3. HEFCE’s Memorandum of Assurance and Accountability (2017/08) sets out three levels at which we may engage with institutions:
   a. Normal contact
   b. Focused dialogue, in cases where we are supporting an institution’s change or development, or where we perceive there to be medium-term risks which, if not addressed, will put the institution at higher risk
   c. Support strategy, for institutions at higher risk or institutions which, in our view, will be at higher risk if decisive action is not taken.

4. We will continue to engage with the University on the basis of ‘normal contact’.

5. You will be aware that from 1 April 2018 HEFCE will be replaced by a new regulator for English higher education, the Office for Students (OfS). Further information related to the OfS’s Regulatory Framework and the associated requirements, for example for registering, will be published sequentially in February and March 2018.

Chairman Tim Melville-Ross CBE Chief Executive Professor Madeleine Atkins CBE
6. The indicators and metrics that we used to underpin the risk categorisation in 2017-18 will be made available electronically on the HEFCE extranet. This allows you to compare the performance of your institution with that of others across the sector. Instructions for accessing this will be sent by email directly to your head of finance.

7. If you have any questions about the risk categorisation process, please contact the Assurance Consultant, Julian Knight (0117 931 7423, j.knight@hefce.ac.uk) in the first instance, or Regional Consultant, Steven Hall (0117 931 7140, s.hall@hefce.ac.uk).

Other information

8. As it is the responsibility of an institution's governing body to ensure that risks are identified and managed effectively, we have copied this letter to the Chair of your governing body.

9. This letter is provided in confidence to Queen Mary University of London. We have no objection to it being made available to third parties, but we do not accept responsibility for any reliance a third party may place on its contents. We have no plans to release the information contained in this letter, but we ask you to consider carefully the implications of any public disclosure you may wish to make, or are asked to make. As you know, we are subject to the Freedom of Information Act 2000 and the content of this letter may be disclosable if a request is made to us under that Act.

Yours sincerely,

[Signature]

Professor Madeleine Atkins
Chief Executive

cc: Lord Tim Clement-Jones
### The Annual Health, Safety and Fire Report 2016–2017

**Outcome requested:** Audit and Risk Committee is asked to **approve** the attached paper for submission to Council.

**Executive Summary:** This is the annual health, safety and fire report to QMUL Council. The report has been approved by the Health and Safety Advisory Group on 22 November 2017.

Please see the Executive Summary on Page 3.

**QMUL Strategy:** 6.1 Achieve enhanced investment in resources and facilities, for the benefit of students and staff, with an appropriate balance of contributions from across all components of QMUL.

**Internal/External regulatory/statutory reference points:**

- **External Statutory Requirements and Regulations**

In order to systematically identify and control risks, health and safety law requires organisations to have a health and safety risk management system in place. The document reports on the status of this system in QMUL for the identified reporting period.

**Strategic Risks:** Audit and Risk Committee and QMUL Council requires formal assurance on the status of health, safety and fire safety compliance and governance in QMUL. Non-compliance can lead to reputational and litigation risks, which could negatively affect QMUL’s strategic aims.

**Subject to Prior and Onward Consideration by:**

- QMSE 20 February 2018

**Confidential paper under FOIA/DPA** Yes – commercially sensitive.

**Timing:** Annual report for 2016–17.

**Author:** Zarah Laing. Director of Health and Safety

**Date:** 06/11/2017

**Senior Management/External Sponsor:** Professor Edmund Burke, VP, Faculty Executive Dean and QMUL H&S Champion
Annual Health, Safety and Fire Report

to the Council of Queen Mary University of London (QMUL)

by the Principal and President, Professor Colin Bailey

Academic Year 2016–2017

Prepared by the Director of Health & Safety, Zarah Laing
Executive Summary

The purpose of this report is to provide the Council of QMUL with summary information relating to key activities associated with the promotion and management of health, safety and fire safety, for the period 1 August 2016–31 July 2017. The report also highlights the key achievements during the reporting period and identifies priorities for the coming academic year.

The report initially summarises the health, safety and fire safety management structure and implementation process in line with the UK legislative framework and guidance and outlines the governance arrangements (including Board level ownership, policy development and revision, and a new health and safety strategy for the next five years) that underpin health and safety management within QMUL.

The report then provides information on key activities undertaken by the Health and Safety Directorate to effectively manage the risks from the following hazards: ionising and non-ionising radiation sources, hazardous chemicals and other substances (including hazardous wastes), laboratory hazards, hazardous biological agents and genetically modified organisms, fire safety, and the built environment operations and infrastructure hazards. During the reporting period, QMUL did not receive any improvement notices from regulatory and enforcing authorities. Overall, the audit and inspection programme indicated that high health and safety standards were maintained across QMUL. New initiatives (including the development and implementation of an online (MySafety) health and safety management system, and first aid for mental health) and celebrations of achievements in health, safety and fire safety at QMUL are noted.

To move QMUL to the next level in health, safety and fire safety risk management, there are a few action areas that will be prioritised during the coming academic year. Health and Safety Directorate (HSD) will:

- improve QMUL’s Emergency Response and Business Continuity Plans by establishing robust plans, and enable practice, particularly in higher hazard areas eg laboratories, confined spaces and out-of-hours work areas
- undertake building-based Health, Safety and Security Risk Assessments
- address building legacy maintenance work at Mile End and other campuses to improve workplace welfare standards
- improve fire protective and resistance measures in QMUL buildings with cladding systems
- identify health and safety priority areas for Long Term Maintenance (LTM) works and achieve full compliance of statutory testing and inspection systems across QMUL
- improve health and safety support for QMUL overseas activities so health, safety and fire safety systems are robust and seamless
- embed the mental health first aid system at QMUL and measure impact on student and staff mental health and wellbeing
- developing innovative ways of delivering health and safety training and information
- further embed MySafety online health and safety management system for accident reporting, inspections, risk assessments and office safety.
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1.0 Purpose of Report

1.1. The chief purpose of the report is to provide the Council of Queen Mary University of London (QMUL) with a summary of key activities relating to the promotion and management of health and safety (H&S) at QMUL. The reporting period is 1 August 2016–31 July 2017.

1.2. The report details the current programme of work being delivered by the Health and Safety team at QMUL. This programme aims to achieve further improvements in health and safety management, whilst also identifying and mitigating residual or anticipated health and safety risks. An important focus of current activity is to encourage and support an organisational culture in which health and safety management is developed and maintained as a proactive and integral part of research, teaching and support activities at QMUL.

2.0 Background: QMUL Health and Safety Management System

2.1. All employers have a legal duty to put in place suitable arrangements to manage health and safety. Ideally, this should be a part of the everyday processes of conducting business (research, study or support activities at QMUL) and/or providing a service. It should also be an integral part of positive workplace behaviours and attitudes.

2.2. The UK legislative framework places the main duties on employers to ensure that the workplace is safe for employees and others who may be affected (eg students, visitors, contractors etc.). Appendix 1 shows the key health and safety legislation applicable to QMUL. The Health and Safety Executive (HSE) highlights the key principles of effective health and safety management in its revised guidance document HSG65.

HSE’s key principles of effective health and safety management are as follows:

- leadership and management (including appropriate structure and effective processes)
- a trained/skilled workforce
- an environment in which people are trusted and involved

These principles underpin HSE’s ‘Plan, Do, Check and Act’ model for managing health and safety in a simpler and more pragmatic way.

2.3. The ultimate responsibility for ensuring health, safety and fire safety within QMUL rests with the Council. Day-to-day responsibility is delegated to the Principal and President, Professor Colin Bailey. The QMUL Health and Safety Champion, Professor Edmund Burke, takes on the leadership and management responsibility and leads on health and safety at Board level as well as chairing the Principal’s Health and Safety Advisory Group.

2.4. The Health and Safety team provides specialist advice, strategic and operational support and a comprehensive training programme to all layers of managers, safety representatives and staff on matters of health, safety and fire safety at work.
2.5. The health and safety management system at QMUL is aligned with the HSE’s model of managing health and safety using the ‘Plan, Do, Check, Act’ approach. This helps to achieve a balance between the system and behavioural aspects of management and ensures that health and safety management is an integral part of good management, rather than a stand-alone system. Therefore, the main report is divided into four sections in line with the ‘Plan, Do, Check, Act’ approach, which is also similar to last year’s annual safety, health and fire report.

2.6. **Section A (Plan)** contains information on QMUL Health and Safety governance and policy developments, legislative update, regulatory visits, statutory permits and registrations.

2.7. **Section B (Do)** contains information on the management of biological, radiation, chemical, fire safety risks and building infrastructure safety.

2.8. **Section C (Check)** outlines details of how health and safety compliance and performance is monitored through activities such as audits, inspections, training, information, accident and incident statistics and follow up.

2.9. **Section D (Review/Act)** contains a summary of new initiatives/projects that were undertaken during the reporting period and the objectives for health and safety plans for the coming academic year. At the end of the report, there is an annex that includes graphical data and statistical analysis of information to back up statements given in the report.

2.10. The report has been presented to, and was accepted by the QMUL Health and Safety Advisory Group (HSAG) on 22 November 2017, the Queen Mary Senior Executive (QMSE) on XX Dec 2017 and the QMUL Audit and Risk Committee on XX February 2018.
Section A: Governance of Health and Safety and Policy Developments

3.0 Structure of QMUL Health and Safety Advisory and Management Groups

3.1. This section of the report outlines the key decisions/activities that were undertaken by the HSAG and its sub-groups. The HSAG acts as a central point for discussion and resolution of health and safety matters within QMUL. Appendix 2 shows HSAG’s membership, which includes students and staff trade union representatives to fulfil the requirements of the Safety Representatives and Safety Committees Regulations.

3.2. Health and Safety Advisory Group Meetings

3.2.1. The Health and Safety Advisory Group met three times (once a term) during the academic year 2016–2017 and Professor Edmund Burke (QMSE member and QMUL Health and Safety Champion) chaired meetings.

3.2.1.1 The Autumn Term Meeting

3.2.1.1.1 The Group considered and approved the Principal’s QMUL Annual Safety, Health and Fire Report for 2015–16 including the H&S objectives for 2016–17, and the ‘QMUL Health and Safety Strategy: the next five years’ which is to cover the period 2016–20. Appendix 3 shows the progress that has been made with the objectives of 2016–17. The following new/significantly revised Health and Safety policies were signed off by the Group for implementation across QMUL: Guidance on Electricity at Work; the Working at Height Policy and Guidance; and Safe Management of Cryogenic Liquids and Solids Policy Arrangements and Guidance.

3.2.1.1.2 The Group also received and approved the following Health and Safety Management System (HASMAP) Audit reports for Schools/Institutes: The Institute of Health Sciences Education (IHSE); Institute of Dentistry; the School of English and Drama; and the School of Languages, Linguistics and Film. The HSAG noted that the audited Schools and Institutes have already closed off the majority of actions and have appropriate plans in place for the remaining recommendations.

3.2.1.1.3 HSAG received and approved the annual health and safety performance report for Capital Projects contractors. It was noted that the health and safety performance of the large contractors improved and the small and medium projects have generally been acceptable. The Group also noted that Capital Projects were being managed effectively and safely, considering that works were undertaken in ‘live’ environments where students, staff and the public were in close proximity.

3.2.1.2 The Spring Term Meeting

3.2.1.2.1 HSAG considered the QMUL Occupational Health Annual Report 2015–16 which included analysis of data from sickness/absence management referrals, return to work programmes, pre-employment health screening, statutory health surveillance and health assessments, workplace immunisation and screening programmes, management of exposure to blood-borne viruses, pension applications, workplace health visits, travel advice and travel immunisations.
3.2.1.2.2 The report noted that during the reporting period there were no notifiable diseases reportable to the regulatory bodies such as Public Health England, the Health and Safety Executive or Local Authorities.

3.2.1.2.3 The utilisation report from the Employee Assistance Programme (EAP) noted the usage of the EAP service was 20 per cent higher compared to the previous year and that 76 per cent of users were female. The HSAG conducted intense discussions around current and potential wellbeing issues at work. It was agreed that the Wellbeing Working Group (chaired by the Director of HR, Margaret Ayers), will coordinate the initiatives and actions for wellbeing issues and will report back to HSAG.

3.2.1.2.4 The HSAG considered and approved the Mental Health First Aiders Project which aims to enhance the level of mental health support available to staff and students at QMUL. As part of the project, an awareness campaign was launched by the Health and Safety Team to change some common misperceptions and stigma associated around mental health.

3.2.1.2.5 In the Spring term meeting, the QMUL Fieldwork Health and Safety Policy and Guidance was approved by the HSAG. Subsequently, the Health and Safety Directorate launched a new revised fieldwork risk assessment course to support the policy implementation.

3.2.1.2.6 A review report on the key health and safety related priorities in the Long Term Maintenance Programme was discussed to ensure health and safety regulatory compliance in ongoing maintenance of QMUL buildings.

3.2.1.3. The Summer Term Meeting

3.2.1.3.1 A leading Health and Safety Lawyer, Mr Mike Appleby, attended the first part of this meeting and provided a health and safety legal update to the members. He highlighted the impact of the New Sentencing Guidelines for individuals and organisations using recent case law examples. Under the new sentencing guidelines, sentences for individuals and organisations are determined by considering ‘culpability’ and ‘harm’ (likelihood of harm x seriousness of potential harm).

3.2.1.3.2 The Group considered the Bancroft building ongoing investigation work reports which included an ionising radiation survey, health and safety visual inspection report, indoor air quality summary results and a building users survey report. The key findings of these reports are detailed in Section 2 of this document, under the heading ‘Building Infrastructure Safety’.

3.2.1.3.3 The Group considered and approved the Long Term Maintenance progress report where the main H&S compliance items were prioritised.

3.2.1.3.4 The following new/significantly revised QMUL Health and Safety policies and guidance were signed off by the Group for implementation across QMUL: Use of Drones; Laboratory Headphones Policy; First Aid Policy; and Biological Safety Policy.

3.2.1.3.5 The Group received and approved the ‘bullying and harassment’ action plan from the Director of HR, Margaret Ayers, which included the introduction of a ‘dignity at work’ policy, use of mediation, networks/advisors for staff and provision of training on the
topic. A ‘mini pulse’ survey will be launched by HR to measure the impact of these planned interventions.

3.3. Health and Safety Management Groups (HSMG) and Specialist Topic Committees

3.3.1. In the reporting period for 2016–2017, the Faculty and Professional Services Health and Safety Management Groups and Specialist Topic Safety Committees met as required and reported to HSAG on their actions and progress.

3.3.2. The Science and Engineering Faculty HSMG met on 3 October 2016, 8 February 2017, and 14 June 2017 and all three meetings were chaired by Professor Edmund Burke (Vice-Principal and Faculty Executive Dean).

3.3.3. The School of Medicine and Dentistry Faculty HSMG met on 11 October 2016, 7 February 2017, and 6 June 2017, chaired by Professor Mike Curtis or by Dr Steven Coppen (Deputy Chair).

3.3.4. The Humanities and Social Sciences (HSS) Faculty HSMG met on 13 October 2016, 9 February 2017 and 18 May 2017, chaired by Sarah Cows (Interim Faculty Operating Officer, HSS).

3.3.5. The Professional Services HSMG met on 17 October 2016 and 6 February 2017, chaired by Laura Gibbs, the Chief Operating Officer. The Chair has initiated a detailed review of the group’s effectiveness in managing health and safety risks associated with Professional Services. The group’s terms of reference, membership, agenda and actions have been reviewed and will be improved in the new academic year.

3.3.6. The Biological & Genetic Modification Safety Committee met on 20 October 2016, 26 January 2017, 2 March 2017 and 18 May 2017, chaired by Dr Matthias Dittmar (Interim Chair) or Dr Tyson Sharp (the new Chair).

3.3.7. The Radiation Protection Safety Committee met on 7 November 2016, 7 February 2016 and 23 May 2017, chaired by Professor Paul Anderson.

3.3.8. The above meetings were attended by appropriate representatives of the Queen Mary / Barts and The London Students’ Association and recognised Staff Trade Unions and therefore comply with the requirements of the Safety Representatives and Safety Committees Regulations 1977 and the Health and Safety (Consultation with Employees) Regulations 1996.

3.3.9. School/Institutes/Directorates classified as being of relatively higher risk do have their own local Health and Safety Group meetings periodically (once a term) and report into their relevant Faculty or Professional Services HSMG. Low-risk or small-size areas have health and safety as a standing agenda item for discussion and action in their Senior Executive Meetings.

3.3.10. During the reporting period, relevant Health and Safety Team members attended area as well as Faculty level HSMG meetings where they provided support and competent advice to
the Schools/Institutes/Directorates as required under the Management of Health and Safety at Work Regulations 1999 or specialist topic regulations. These regulations require an employer to appoint one or more competent persons to help them implement the measures they need to take to comply with the legal requirements.

4.0 New/Revised H&S Policies, Procedures and Guidance

4.1. During the reporting period, a legal review of health and safety policies and procedures was conducted to ensure that central and area QMUL health and safety documents are consistent and compliant with the legal requirements. On completion of this review, a standard policy template has been developed for health and safety policies. The following policies have been amended and updated in line with the legal review recommendations:

4.2. QMUL Health and Safety Policy and Framework
4.2.1. The main QMUL health and safety policy document was updated to reflect updated management structures for health and safety and occupational health, and re-issued in January 2016.

4.3. Drones Health and Safety Policy, Guidance and Risk Assessment
4.3.1. This new policy establishes the framework for the risk assessment, the risk controls and measures and roles and responsibilities to be adopted and implemented for the purchase, use, storage and disposal of Drones and unmanned aerial vehicles by QMUL staff, students and contractors. Guidance on practical measures for use has been included as well as the requirements for training, supervision and competency. Advice has also been provided for a number of drone usage instances at QMUL from recruitment filming to research activities such as assessing artificial intelligence.

4.4. Working at Height Policy
4.4.1. National statistics indicate that two-fifths of all reported major injuries and half of all workplace fatalities are caused by falls from a height. Although none of our staff or students sustained serious injuries caused by falls from height, there have been serious near misses which instigated the policy development to attain compliance with the Work at Heights Regulations 2005. This new policy identifies the key principles and assessment methodology for working safely at height, including elimination and utilising alternative methods where significant risks exist.

4.4.2. At QMUL, safe working procedures for working at height have been incorporated into a number of health and safety taught courses and local toolbox talks (eg for maintenance staff), to promote the principles of prevention and protective measures.

4.5. Safe Management of Cryogenic Liquids and Solids Policy, Arrangements and Guidance
4.5.1. The Policy defines the legal requirements, management arrangements and health and safety measures for working with cryogenic liquids and solids (eg liquid nitrogen, solid carbon dioxide and similar substances), in the context of QMUL’s laboratory and other activities. It also identifies the roles and responsibilities for Managers and responsible persons at QMUL.
The policy and guidance document has assisted Capital Projects in the construction of a new Cryostorage facility at Charterhouse Square and the development of user guides/procedures, training courses and design risk assessments for upgrades of smaller facilities/equipment.

4.6. **Fieldwork Safety Policy, Guidance and Risk Assessment**
4.6.1. This policy and associated guidance (fieldwork/travel guidance and checklists, risk assessment templates), aims to assist QMUL staff and students in planning fieldwork and off-premises activities by ensuring they are carried out in a controlled and safe manner, with appropriate risk control systems in place. The revised fieldwork risk assessment course includes the key principles of the policy in the context of QMUL fieldwork-based research, teaching and other off-premises support activities.

4.7. **Biological Agents: Health and Safety Policy and Arrangements for QMUL**
4.7.1. The policy has been substantially revised and updated with roles and responsibilities clearly defined for the topic to include legislative updates, particularly to environmental hazards, import and export permits and internal/external notifications. The new QMUL notification and peer review process for biological agents is detailed within the process summary.

4.8. **First Aid at Work Health and Safety Policy and Procedure Document for QMUL**
4.8.1. The document has been revised and updated to reflect changes to the accident and incident reporting system, and a procedure for Health Care Professionals administering first aid at QMUL has been added.

4.9. **Headphone Use in Laboratories – Policy Statement and Guidance**
4.9.1. The use of audio equipment with headphones/earphones/earbuds in hazardous areas such as laboratories or workshops can increase the risk to health and safety of staff and students by spread of contaminated material by contact. This document identifies where restrictions are necessary for health and safety reasons, and where they may be permitted with a risk assessment of the activity.

4.10. **Thames Water Permits for Trade Effluent Waste Water – Guidance**
4.10.1. Following receipt of these campus-based permits from Thames Water, one page guides were issued for each campus along with a topic webpage with more detailed guidance and the consent permits. Detail has been included within training courses and toolbox talks to areas.

5.0 **National Regulatory and Legislative Updates**

5.1. The year 2016–17 has been a period of change, progression and innovation for health and safety regulators, including the HSE and Fire Authorities. The HSE unveiled its new strategy ‘Helping Great Britain work well’ and has identified sector-based plans for improving health and safety.

5.2. The number of companies prosecuted by the HSE for breaches of health and safety law has increased. The HSE prosecuted a number of public and private companies and they received some large fines and custodial sentences under the New Sentencing Guidelines. For example, one company was fined £1.8m after one of its employees contracted Legionellosis, despite the fact that environmental health officers were unable to prove that the employee had contracted the disease from the site. However, Inspectors had uncovered a serious lack of compliance in
maintaining water systems at the company. In September 2016 Alton Towers’ operator, Merlin, was fined £5m under the New Sentencing Guidelines for a crash on a rollercoaster causing life-changing injuries to four people.

5.3. During the reporting period, the health of employees also continued to move up the regulator’s agenda; the HSE’s health and safety strategy highlights the tackling of work-related ill health (eg occupational cancers, musculoskeletal injuries and disorders, work-related stress). One of QMUL’s new health and safety strategy objectives is to improve the health and wellbeing of staff at work, identifying the preventative measures and support to those who may be affected.

5.4. Brexit and H&S Legislation

5.4.1. On 23 June 2016, a majority of voters in the UK voted to leave the European Union (EU). There has been much speculation about what leaving will mean for health and safety in the UK. On 29 March 2017, the Prime Minister triggered Article 50, which started the ‘Brexit’ process that will officially take the UK out of the EU in March 2019. Experts suggest that in the short term or medium term there will not be much change with the way we regulate health and safety in the UK. Particularly, no impact is anticipated on the core legislation HASAWA. It is anticipated, however, that secondary legislation under the Act could be affected; for example, the ‘six pack’ regulations introduced in 1992 which includes the first version of Management of Health and Safety at Work Regulations; Manual Handling; Display Screen Equipment; Workplace (Health and Safety and Welfare) Regulations; Provision and Use of Equipment at Work; and Personal Protective Equipment Regulations.

5.4.2. Withdrawal from specialist European bodies such as EURATOM and the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulations could introduce temporary or medium term supply restrictions of materials (eg radioisotopes for research and medical use, hazardous chemicals and solvents for research and industrial use), for research and development in the UK. This could lead to changing health and safety risks by using alternative materials.

5.4.3. However, prosecution policies are not thought to be impacted by Brexit, as prosecution and enforcement is a domestic, not an EU, issue. Overall, the UK regulations are effective and established, and changing them will not be a priority for the Government. Post Brexit, if the regulations are reviewed, it can be envisaged that much of the secondary legislation could be consolidated as many repeat common principles.

5.5. Migration from OHSAS 18001 to ISO 45001

5.5.1. During the reporting period an international consultation exercise was completed on the new ISO 45001 Occupational Health and Safety Management Standard (OHSAS) which will supersede OHSAS 18001. The Occupational Health and Safety Management Standard provides a framework for effective health and safety management systems.

5.5.2. The new standard has been drafted in line with all of the other major ISO management system standards, using the same structure and core requirements, making implementation of multiple management system standards simpler for users. The new standards are putting more emphasis on the role of top management and involvement of workers at all levels, whilst requiring organisations to prioritise what is important in their particular context.
5.5.3. The QMUL Health and Safety Policy and Framework, and the Audit and Inspection Policy and Procedures have been updated accordingly in line with the new standard requirements.

5.6. New and Updated Legislation

5.6.1. Changes in national health and safety legislation usually occur in line with Government policy on ‘Common Commencement Dates’ which are 6 April (the start of tax year) and 1 October. Following changes with these commencement dates helps us to be more aware of the forthcoming changes and enable us to plan for and implement new measures effectively.

5.6.2. During the reporting period, no new legislation was introduced by the regulators. However, there have been a number of consultations and amendments to the existing regulations. Details of these are given below.

5.6.3. The Health and Safety (Miscellaneous Amendments) Regulations 2017 include some minor amendments to health and safety legislation, primarily affecting the offshore industry, but also affecting those who use pesticides which could be harmful to wildlife. This legislation currently does not have any impact on QMUL sites and activities.

5.6.4. Freight Containers (Safety Convention) Regulations 2017 came into force on the 6 April 2017 and revoked the 1984 version. QMUL’s current sites and operations are not affected by the requirements of these regulations.

5.6.5. The Health and Safety Executive completed a consultation on changes to The Ionising Radiation Regulations 1999 in April 2017, in line with the implementation of the EU Basic Safety Standards Directive. The changes will come into place from October 2017. The main changes are to be:

5.6.5.1. Firstly, a reduction in the dose limit for exposure to the lens of the eye, thereby implementing the requirement of the Directive. The Directive introduces a reduction of the equivalent dose from 150 mSv to 20 mSv per annum. Currently exposure to ionising radiation is calculated and assessed on a calendar year basis, this would require individual dose limits to be re-calculated for the remainder of the year. However, to avoid confusion and any additional cost burden to businesses, the HSE proposes to introduce this requirement from 1 January 2018.

5.6.5.2. Secondly, introduction of a new three-risk-based system of regulatory control – a new ‘Graded Approach’. The Directive refers to these levels as notification, registration, and licensing – the higher the radiation protection risk associated with the work, the greater the requirements. It requires the HSE to have in place a positive system of authorisation whereby permission is granted to duty holders for higher risk activities through registration and licensing.

5.6.5.3. QMUL welcomes these proposed changes and will assess and adopt them through the QMUL Radiation Protection Safety Committee during the next academic year (2017–18).
5.7. Changes to the Fee for Intervention (FFI) Dispute Process

5.7.1. The Fee for Intervention scheme was introduced in October 2012 to shift the cost of regulating workplace health and safety from the public/tax payers to businesses who break the law. However, since then a number of the HSE FFI invoices were disputed by the businesses involved.

5.7.2. In 2017, the courts ruled that from September 2017, a fully independent panel must consider all disputed invoices raised under the FFI scheme. This means that they will now be considered by a lawyer (acting as chair), and two others who have practical experience of managing health and safety. Previously, a panel considered disputes comprised of two HSE members and one independent member.

5.7.3. QMUL is currently not affected by the FFI as we are compliant with workplace legislation and are not subject to any ongoing investigations by the regulators, including the HSE.

5.8. Regulatory Visits

5.8.1. Environment Agency

5.8.1.1. The Environment Agency’s (EA) yearly planned inspections took place in Whitechapel and Charterhouse Square in April-May 2017. Overall, feedback from the EA Inspector has been positive with only relatively minor verbal recommendations to further improve the ionising radiation project sign off process. The QMUL Radiation Protection Officer is in the process of re-drafting the policy and guidance on the project approval process. No enforcement or improvement notices were served on QMUL during the reporting period.

5.8.2. London Fire Authority

5.8.2.1. During the reporting period, London Fire Brigade Authority visits to QMUL-owned properties produced minor recommendations. No improvement notices were served on QMUL. Following the Grenfell Tower fire, QMUL has invited the London Fire Brigade to all three campuses for a re-familiarisation exercise of the buildings with cladding systems.

5.8.3. Health and Safety Executive (HSE) Inspections/Visits

5.8.3.1. Following a scheduled inspection (in March 2016), an HSE Biological Agent Unit Inspector verbally issued a number of minor improvements for Containment Level 3 laboratories at QMUL and these were completed within a suitable timeframe during 2016.

5.8.3.2. In November 2016, an HSE Inspector from the Biological Agent Unit visited to investigate the whereabouts of a Dx courier parcel containing *Mycobacterium tuberculosis* specimens that was reportedly delivered to the Whitechapel Campus in August 2016, and was intended for the Public Health England (PHE) Mycobacterial Reference Unit (MRU) which was based in the Abernethy Building (until November 2016).

5.8.3.3. After site investigations, the Inspector noted that as the parcel had been delivered in this case to the adjacent Royal London Hospital, the main liability did not lie with QMUL. In addition, the imminent departure of PHE MRU from QMUL premises meant that arrangements were no longer needed with PHE, and that the Inspector was not investigating the arrangements between QMUL and PHE further.
5.8.3.4. Verbal recommendations noted by the Inspector however have been taken on board by QMUL. A more robust electronic parcel tracking system has been introduced, along with a review and update of procedures for out-of-hours deliveries and training for staff involved.

5.8.4. **Counter Terrorism Security Adviser Inspection**

5.8.4.1. A scheduled inspection was conducted in early 2017 for ionising radiation and the Adviser was happy with QMUL procedures and arrangements.

5.9. **Statutory Permits and Registrations**

5.9.1. This section of the report details the range of statutory permits and registrations for QMUL that have been obtained and/or maintained in the reporting period.

5.9.2. The statutory declarations of chemicals, chemical sources and customers was submitted to the **Chemical Weapons Convention** (CWC) UK National Authority (UKNA). This declaration is done once a year and for the year 2016–17 it was submitted in December 2017.

5.9.3. A permit with **the Animal & Plant Health Agency** has been received for notification of registration of QMUL premises under the requirements of article 23 of the Animal By-Products Regulation (EC 1069/2009). Notifications to the HSE relating to Genetically Modified Organisms (GMOs) are detailed in the next section.

5.9.4. A statutory registration under **the Ozone Depleting Substances EU Regulations 2009** was made for a purchase of a substance falling under this statute.


5.9.6. Permits for radioactive substances holdings and disposals were renewed with the **Environment Agency** by means of subscription and annual returns for the current reporting period sent in February 2017.

5.9.7. **The Health and Safety Executive** has been notified of asbestos work which is required under regulation 9 of the Control of Asbestos Regulations 2012.

5.9.8. QMUL RIDDO data, fire incidents, and hazardous waste data have been submitted to the **Higher Education Statistics Agency (HESA)** alongside with the estates management data. From the next academic year, HESA will no longer receive the H&S data, they will be received by USHA (Universities Safety and Health Association).

5.9.9. A service contract with **Zurich Insurance** is maintained for the statutory inspection and testing of pressure equipment and systems, lifting equipment and platforms. A process has been agreed with Zurich Insurance to tag all inspected items with a dated tag so that users will know if the equipment is within the statutory testing period.
Section B: Risk Management of High Health and Safety Hazards

6.0 Biological / Genetically Modified Organisms (GMO) Safety Risk Management

6.1. The QMUL Biological Safety Policy document was re-drafted by the Biological Safety Adviser and has been reviewed and approved by the Biological & Genetic Modification Safety Committee (BGMSC). Following consultation across QMUL, it was approved by the HSAG and issued to QMUL in June 2017.

6.2. The number of Genetically Modified Organism (GMO) risk assessments peer reviewed at GM Class 1 was seven, and at GM Class 2 was eight (majority as ‘Connected Programmes of Work’). One Health and Safety Executive notification was applied for and received at GM Class 2. The number of higher risk Bio-COSHH risk assessments peer reviewed by the BGMSC was five.

6.3. A programme and time plan to develop an electronic risk assessment system for QMUL (including Bio-COSHH and GMO/M risk assessment templates), was started and an initial set of volunteers has been recruited.

6.4. Approximately 300 attendances at Bio/GMO safety and related courses were certified by the HSD.

6.5. GMO/Bio Laboratory facilities in eight QMUL areas were inspected by at least one BGMSC member.

6.6. An Animal By-Products permit for QMUL campuses was obtained on 29 September 2016.

6.7. A Containment Level 3 ‘check and assist’ for lone working was issued and practiced with Lab Users and Security staff. A clearer one-pager ‘what to do’ in the event of a blood/biological contamination/sharps incident was issued.

6.8. A simulated ‘laboratory spill’ procedure was issued and practiced in three areas in the School of Medicine and Dentistry (SMD), with stakeholder (Lab Users, Lab Managers, First Aiders, Security) involvement, which provided valuable practice and improvements to QMUL emergency procedure systems.

6.9. A BGMSC webpage was set up with meeting dates, location, risk assessment and peer review notification summaries.

6.10. Assistance was provided to the Occupational Health Service by the HSD to develop a risk assessment matrix, guidance document and review system for face fit testing, particularly with Biological Services Unit access and health clearance (for protection against laboratory animal allergens) and for other biological and hazardous substance exposures.

7.0 Ionising and Non-Ionising Radiation Protection Safety Risk Management

7.1. The QMUL Ionising Radiation Policy provides the framework for ionising radiation risk management across all areas of QMUL, in line with applicable legislation: Environmental
Permitting Regulations (EPR 2016), regulated by the Environment Agency for environmental protection, and The Ionising Radiation Regulations 1999 (IRR99), regulated by the HSE for user safety. The framework is applicable to all staff and students who work with ionising radiation sources within QMUL. The framework system is implemented and maintained by the Radiation Protection Safety Committee, with assistance from the consultant Radiation Protection Adviser (RPA), Radiation Waste Adviser (RWA) and the QMUL Radiation Protection Officer (RPO). A programme of work via statutory advice, ionising radiation protection and safety training, dosimetry, incident follow-up and inspections was conducted throughout the year.

7.2. The Radiation Protection Safety Committee ensured that processes for disposal of old equipment and repair of equipment involving ionising radiation sources were in line with QMUL framework processes during the year.

7.3. A total of five new radiation project approvals were completed in the reporting period ensuring safe use of sources and where appropriate, safe disposal of radioactive waste within the statutory campus permit limits.

7.4. A total of 19 QMUL users of ionising radiation sources were trained in a re-vitalised ionising radiation safety course. Emergency and security procedures were further developed for QMUL facilities. Local ionising radiation rules were reviewed and updated by the local RPSs, with advice from the RPO.

7.5. The electronic ionising radiation record and control system (ISOSTOCK) for QMUL was made fully functional following IT system upgrades. The Environmental Permitting permit for one campus was updated following disposal of a redundant source. ‘End of life’ ionising radiation sources were disposed of, as per permit conditions. The previous legacy source waste programme has been completed successfully by the RPO.

7.6. The ionising radiation dose monitoring system is continuing for users and monitored by the RPA and RPO. No doses that would breach local or any statutory level were received by any ionising radiation user.

7.7. A LASER safety training course was conducted for users of LASER equipment and a re-vitalised management programme for areas using high powered LASERS was introduced by the HSD, which has started to embed in the Schools using such equipment. Local LASER safety officers have been appointed for these areas.

7.8. The Control of Electromagnetic Fields (EMF) at Work Regulations 2016 govern the safety of staff in the workplace with regard to electromagnetic fields, and is regulated by the HSE. A decision was made to include this topic under the Radiation Protection Safety Committee remit for a trial period, and the terms of reference were reviewed and updated.

7.9. Work with non-ionising radiation sources (eg sources releasing ultraviolet and infrared wavelength emissions), is controlled under the Control of Artificial Optical Radiation at Work Regulations 2010 to ensure safety of users and others in the workplace from such sources, and is regulated by the HSE. Issues arising from the use of equipment with such sources are managed through the Faculty H&S Groups. No significant issues arose during the reporting period.

8.0  Hazardous Chemical Safety and Hazardous Wastes Risk Management
8.1. A renewed programme to improve and maintain safety standards when handling hazardous chemicals was initiated during 2015–2016 and continued into 2016–17. The COSHH (Control of Substances Hazardous to Health), risk assessment-training programme was revised in 2016–17 to target practical completion and understanding of the laboratory chemical risk assessment process at QMUL. Over 300 staff and postgraduate students attended COSHH training during this reporting period.

8.2. Risk assessment templates and training sessions for non-laboratory staff entering laboratory areas for works (eg from Estates & Facilities, ITS), were constructed and conducted/issued.

8.3. Web topic pages on arising chemical safety issues (eg safe disposal of uranyl acetate), were developed and issued on the QMUL HSD website.

8.4. First aid training was expanded to first aiders in laboratory areas to include how to deal with chemical burns, using examples such as phenol, hydrofluoric acid and cyanide exposure.

8.5. Improvements to liquid nitrogen and other cryogenic liquids/solids safe handling were introduced with a user ‘safe handling procedure’ and ‘cryogenic personal protective equipment’ issued, along with training and checks during inspections to ensure effectiveness and implementation of safe handling.

8.6. Simulated laboratory waste and hazardous substance (chemical, solvent, biological), spill procedures and response documents were formulated by the HSD and practiced with non-hazardous materials in three QMUL locations during 2017 with valuable feedback and improvement suggestions (see also 6.8 above).

8.7. A new and much safer Cryostorage facility at Charterhouse Square was completed by Capital Projects and the two SMD Institutes involved (Barts Cancer and William Harvey), with assistance and health and safety advice from HSD. This has ensured that biological blood, cell and tissue samples are now stored in tanks with a vapour phase significantly reducing the potential for exploding vial content during retrieval. The introduction of an automated remote controlled filling system reduces the manual handling of liquid nitrogen and the potential for injuries and cold burns. An emergency ventilation system to keep oxygen at safe levels in the event of an unlikely uncontrolled release of liquid is also installed to significantly reduce the likelihood of asphyxiation in a semi-confined space.

8.8. The new facility also meets clinical quality and Human Tissue Act requirements and is a vital facility for medical and research programmes at Charterhouse Square. A ‘Cryostorage Management Code of Practice’ template has been prepared by the HSD, and with stakeholders, details have been included for emergency procedures, safe operating procedures, training, maintenance and repairs and contractual arrangements.

8.9. Further similar improvements to the Whitechapel Blizard Cryostorage facility are ongoing under the Capital Projects/Long Term Maintenance budget programme, with advice and assistance from the HSD. A design risk assessment template/guidance for Cryostorage facilities was produced to assist Capital Projects with this project.

9.0 Laboratory Hazardous Wastes Management
9.1. The management of QMUL laboratory clinical, chemical/solvent and ionising radiation hazardous wastes by the HSD continued in 2016–17. This includes collection, storage and authorised disposals; budget management; maintenance of facilities; and training of users from laboratories and workshops.

9.2. The chemical, solvent and radiation waste stores units managed by the HSD were inspected by an accredited ATEX and intrinsic safety equipment engineer to ensure that lighting, electrical supply and ventilation provided continued and effective safety in these waste stores.

9.3. Emergency procedures were drafted and practiced for these waste stores with internal stakeholders (Security, Maintenance and other Lab Users), leading to improvements in procedures, and familiarisation of areas for the stakeholders.

9.4. A process improvement project commenced to see whether and how improvements could be made to the laboratory hazardous waste management, and this will be completed during 2017–18.

9.5. During 2016–17, the clinical waste disposal process improved through a review of the process, training, regular inspections and improved facilities across three campuses.

9.6. There were minimal incidents involving laboratory hazardous waste, and no external or regulatory breaches noted. As noted above in the Ionising Radiation section, clearance of legacy and out of date sources was achieved.

9.7. Following data gathering and application completion, Thames Water issued the ‘trade effluent’ permits for the three main QMUL campuses containing laboratories. The Health and Safety Team provided the Schools/Institutes/Directorates with appropriate guidance and training after full permits were received in March 2017. Periodic inspections and audits will be undertaken to monitor and ensure compliance with the permit requirements. The Health and Safety Directorate will monitor financial and procedural impact of the permits across QMUL in the next academic year.

10.0 Building Infrastructure Safety

10.1 Health and Safety Investigation of the Bancroft Building

10.1.1. During the reporting period, a number of the Bancroft Building occupants reported poor air quality and perceived odours in the building. Reports of some discomfort and/or mild ill health symptoms were also received by QMUL senior management. In response to the concerns, a thorough evaluation of the Building has been carried out in line with a programme of work led by the Chief Operating Officer, Director of Health and Safety and Director of Estates and Facilities.

10.1.2. The programme of work was communicated to all Schools/Institutes/Directorates located in the Building and to the recognised Trade Unions at QMUL. All occupants of the Building were invited to take part in the surveys conducted. Detailed reports have been provided to the Health and Safety Advisory Group for consideration and a summary of the reports outcomes are given below.
10.1.3. **Hazardous Substances Use in the Bancroft Building**

10.1.3.1. A peer review inspection of laboratory areas was conducted to understand the processes and nature of work that were present in the building. The inspection team assessed the potential risks that were associated with the use of hazardous chemicals, solvents and biological agents/products in the building. The group noted that use of hazardous chemicals were in ‘small scale’, and stocks were kept to a minimum.

10.1.3.2. Prepared solutions and other laboratory waste disposals are robustly packaged and transported safely to hazardous chemical/solvent waste stores or clinical waste storage bins located external to the building and subsequently uplifted by an authorised waste contractor for offsite high temperature incineration. The inspection team noted that disposals via the drain are not permitted for hazardous substance wastes, other than for trace amounts of inactivated and less hazardous substances.

10.1.3.3. The consultant Building Surveying company (ARUPS), and monitoring consultant (RSK Environmental Ltd), used this initial data for environmental monitoring in the building and their results were received in August 2017 (see section 10.6).

10.1.4. **An Environmental Ionising Radiation Monitoring Survey**

10.1.4.1. The survey was conducted on floor 4 of the building by the consultant Radiation Protection Adviser in early 2017. All the measurements obtained were within the normal variation of background readings and did not indicate any ionising radioactive contamination in the areas surveyed.

10.1.5. **An Indoor Air Quality Survey**

10.1.5.1. An initial survey was conducted by the Health and Safety Team on floors Ground to 4. Temperature and humidity fluctuations were noted particularly on floor 4, and to a certain degree on floor 3. Measurements of small amounts of methane were detected on floor 4 during the survey in March 2017. These were re-tested following remedial works in April 2017, and subsequently indicated background level measurements.

10.1.6. **Building Occupants Satisfaction Survey**

10.1.6.1. An occupant survey was carried out amongst the full-time staff who use the building employing the internationally recognized Building Users Survey (BUS) Methodology.

10.1.6.2. The building scored poorly across the 49 key variables placing it in the bottom 3 percent of buildings in the national database with issues with poor air ventilation and balancing, fluctuations of temperature, over-crowding during certain time periods, cleanliness of toilets and communal areas.

10.1.6.3. The complaints were mapped out and whilst it was clear that there was a general malaise that affected the entire building, there were particular areas where complaints were concentrated such as north facing offices on floor 1, and 2 and in the School of Business Management areas on floor 4.

10.1.7. **Contaminant Testing**

10.1.7.1. Testing for air and water borne contaminants was carried out by a qualified Occupational Hygienist from RSK Laboratories Ltd during Summer 2017 to find out if there was a clear link with physical symptoms being experienced by the occupants.
10.1.7.2. There were traces of some gaseous pollutants such as formaldehyde, benzene, and ammonia but at very low concentrations. The orders of magnitude were below the Health and Safety Executive Workplace Exposure Limits (WELs) noted under the Control of Substances Hazardous to Health (COSHH) Regulations.

10.1.7.3. Similarly, very low levels of mouse and dustmite allergens and microbial colonies were detected but below the level at which sensitization of an individual is expected to occur.

10.1.7.4. Similarly, the concentrations were an order of magnitude below the exposure limits that are deemed to constitute a risk to health.

10.1.8. Engineering Review

10.1.8.1. An engineering review was carried out on air and water distribution systems to establish: the adequacy of the capacity of heating, cooling and ventilation systems; the condition of the plant and equipment and its remaining serviceable life; the adequacy of the Building Management System and control of systems; the adequacy of the drainage and waste systems; and the existence of transmission paths for contaminants to enter the occupied space.

10.1.8.2. The Engineering review found that the main air handling plant system cleanliness was poor with dirt build-up in air intakes, corded parts, with fouled heating coils, air filtration frames by-passed in some areas, and fans being isolated resulting in poor ventilation effectiveness.

10.1.8.3. Fume handling systems have positively pressurised discharge ducts downstream of the fan but are still within the top floor plant room, thereby risking of leakage into the plant room space.

10.1.8.4. The Building Management System is obsolete and no longer supported by its manufacturer making spares difficult to source. The control system is poorly calibrated affecting the system’s ability to deliver stable comfort conditions.

10.1.8.5. Waste Water Systems are overloaded under the increased occupancy loads imposed upon the building and there is an under provision of toilets in the building leading to greater maintenance demands and risk of blockage and flooding.

10.1.9. Summary of Key Findings and Recommendations

10.1.9.1. In this compressive investigation of the Bancroft Building, there were four critical factors affecting the way in which the building performed:

10.1.9.2. Ageing and obsolete plant and equipment – The majority of the central plant, distribution systems and controls are almost 30 years old and so have reached the end of their serviceable life and would require some measure of replacement, refurbishment or upgrade.

10.1.9.3. Ineffective planned maintenance – Maintenance has been poor which has led to a deterioration in the physical condition of the plant and equipment and its performance.

10.1.9.4. Increased occupancy density – In some departments such as the School of Business and Management the academic staff and student numbers have doubled in the last seven
10.1.9.5. **Cellularisation of space** – Spatial layout changes of larger open plan spaces have been changed to smaller cellular offices and seminar rooms without accommodating these changes in the heating, ventilating and cooling. The space changes in the past have been carried out in an ad-hoc way without reference to the wider impact on heating, ventilation.

10.1.9.6. QMUL has now allocated £3m to be spent over the next three years to rectify issues identified with the existing systems and to bring them up to a fully operational state. Procedures to address space allocation have been instigated during 2017.

10.1.10. **Long Term Maintenance Legacy Issues**

10.1.10.1. A Legacy Issues Project Board has been set up to oversee the project for replacing, refurbishing and renewing building fabric and building engineering services systems in order to address legacy and compliance issues and ensure fabric and services are safe. The Board is accountable for the successful delivery and oversight of the designated capital project in the main key areas of scope, cost, time and quality.

10.1.10.2. The following Mile End campus buildings are included in the legacy issues project: GO Jones, Fogg, Bancroft, Library and Arts Two buildings. These buildings have ongoing issues with heating; ventilation and air conditioning; hot and cold water services; above ground drainage; dry risers; electrical installations; lift installations; fire and lighting installations; communication, security and control systems; and building fabric.

10.1.10.3. Following completion of the project the Health and Safety File for each building will be updated to provide comprehensive record information for the entirety of the building. This will involve the provision of information for both new and existing retained services.

10.1.10.4. £12.2m has been made available for priority compliance works across 2017–18, 2018–19 and 2019–20. The remainder of any works will be funded from the Long Term Maintenance budget over a 10-year period along with other priorities QMUL has.

10.1.10.5. The progress of the project impact on the buildings’ health and safety standards will be reviewed and reported on in the next academic year (2017–18).

11.0 **Fire Safety Risk Management**

11.1. **Fire Detection and Alarm Systems**

11.1.1. The fire risk assessments and false fire alarm investigations have identified a number of issues with the majority of fire alarm systems in academic buildings. One of the main causes of the false alarms was that some of the fire alarm systems have reached the end of their lifespan and are due for replacement or are obsolete, therefore correct replacement parts can no longer be obtained. A full list of fire alarms that require replacements or upgrade have been provided to Estates and Facilities to be included in the Long Term Maintenance Programme. This programme of works is to be conducted during 2017–18. In the meantime, all fire alarm systems are validated as functional with programmed weekly checks by Estates and Facilities Maintenance and additional area Fire Marshal checks.
11.2. Maintenance of Fire Protection Equipment
11.2.1. Fire risk assessment reviews show that all installed fire protection measures including fire alarms, emergency lighting, fire extinguishers, dry risers etc. undergo a suitable and sufficient inspection regime by an accredited external fire safety contractor and records were available during assessments and inspections by the Fire Safety Manager/Adviser to indicate this.

11.3. Fire Safety Evacuation Drills
11.3.1. Evacuation drills have been carried out in all non-residential buildings over the summer except where there have been more than three activations within the previous 12 months (during normal hours), and with no major issues identified. Evacuation drills in residential buildings were carried out during October/November 2016. It takes on average five minutes to evacuate a QMUL building, which minimises life safety risks during an actual fire, and is within national benchmarks for these types of buildings.

11.4. Fire Safety Advisory Support for Capital Projects Working Groups
11.4.1. The Fire Safety Team met regularly with the Project Manager and key stakeholders and discussed technical and specialist issues for building works. There have also been a number of occasions where Fire Engineers have been employed by architects to justify deviations from the guidance of building regulations.

11.5. Fire Alarm Activations
11.5.1. For statistical purposes, fires are categorised using the Universities Safety and Health Association (USHA) criteria which is as follows:

11.5.2. Major fire incident: an incident involving smoke, heat and flames causing property damage to multiple building fixtures or fittings, may require multiple fire brigade engines attendance.

11.5.3. Minor fire incident: an incident involving smoke, heat and flames causing only localised damage to equipment or property and may require fire brigade attendance/advisory visits.

11.5.4. Near miss fire incident: an incident involving only smoke without flames which may or may not cause damage.

11.5.5. During the reporting period, there were three fire incidents on the QMUL Mile End campus, all of which were classified as minor (two) and near miss (one) fire incidents.
Two of the fires were minor fires, but were attended by the London Fire Brigade:

- Fielden House, Student Residency – a pillow caught fire from an electrical heater in the room.
- Mile End Library – an electrical fire occurred in the ITS server room which is located on the ground floor of Library.

One fire was a near miss and therefore, did not require attendance of the London Fire Brigade:

- Joseph Priestly Building – some plastic cups were left in the oven.

The Fire Safety Team followed up these incidents and a range of measures were put in place to prevent reoccurrences – one fire incident detail is expanded below to identify the improvements made.

11.5.6. **Fielden House Fire**

11.5.6.1. **Residential accommodation fire incident** – A student invited three guests to stay and the sleeping arrangements involved the laying down of inflatable mattresses and bedding in a manner that covered the whole of the room floor. At the head of one of the mattresses was an ‘under unit’ heater which was switched on and became blocked by a pillow being used which started to smoulder and give off smoke. The residents rushed along the corridor to the kitchen of the flat where they attempted to extinguish it with a fire blanket after trying in vain to push it out through the open kitchen window.

11.5.6.2. A number of lessons were learnt from this incident leading to improvements in procedures. These include Residential Handbook changes to further emphasise the limits and the reason for the restriction in numbers in a room relating to safety, and the use of fire retardant sleeping mattresses and how to safely use heat sources such as heaters. Fire training and guidance has been updated to make clear and discourage the carrying of burning material from one place to another.

11.5.6.3. **Appendix 4** tables and charts show the detailed data and analysis of the fire alarm activations in relation to the residential and non-residential buildings with causes.

11.5.6.4. In total, there were **224 fire alarm activations** in 2016–17, compared to 193 in 2015–16. This is a relatively small increase in the number of fire alarm activations at QMUL, considering the extensive building works being carried out in buildings in use, with the potential to generate dust and activate fire alarms. A review of QMUL hot work permits and management of contractors onsite was undertaken to reduce the number of false alarms.

11.5.6.5. The number of activations in student accommodation is still somewhat high. The number of activations on each set of student accommodation on each campus reflects the number and type of students and the design of the buildings. Increased cooking-related incidents in the residences has led to a change/replacement to effective cooking extraction hoods in all residences. In order to reduce the number of manual call activations in student residents, notices and leaflets are displayed providing information...
on preventing false alarms and residencies’ staff brief students during Welcome Week on avoiding false alarms.

11.6. Fire Safety Inspections: Building Façade Inspections and Testing

11.6.1. After the Grenfell Tower incident in June 2017, QMUL reviewed whether it was possible that non-compliant types of cladding material (e.g., Aluminium Composite Materials (ACM) which have highest level of combustibility) had been used in any of QMUL buildings. In total, 12 out of 67 QMUL-owned or -leased buildings have been identified for a detailed inspection and, where required, testing of cladding materials. A competent external construction company and Fire Safety Engineers have been appointed to carry out this inspection and sampling process. Samples were sent to the British Research Establishment (BRE) for testing in line with the required standard (i.e., whether the materials are combustible or not, and whether there are cavity barriers and whether fire stopping is installed, or not).

11.6.2. The main findings of these inspections and tests results were assessed by the QMUL Project Working Group (PWG). The PWG noted there are no immediate life safety risks within any of the QMUL owned and leased buildings, including in 13 buildings with existing cladding systems. The BRE test noted that there are ACM materials (Category 3) in two building cladding samples: Wingate Building and William Harvey Heart Centre. Category 3 means that it does not achieve the requirements of limited combustibility and has no flame retardant properties. Neither of these buildings have sleeping accommodation.

11.6.3. The PWG noted that these two buildings, along with a number of other areas require a range of improvement measures in the medium to long term. In addition, the PWG recognises that property (i.e., physical and procedural measures), and business continuity risks need to be assessed further.

11.6.4. The PWG has instructed the competent fire safety expert (ARUPS) to prepare a clear, timed and costed strategic action plan. The PWG will progress with this action plan in the next academic year. HEFCE and the London Fire Brigade have been updated with our test results and forward plans.

<table>
<thead>
<tr>
<th>The top four priority areas for improvement in the medium to long term are:</th>
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<tr>
<td>• introducing <strong>cavity barriers</strong> where they are currently missing</td>
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<tr>
<td>• improving external <strong>fire stopping</strong> between floors, window openings etc.</td>
</tr>
<tr>
<td>• reviewing building fire safety strategy and fire safety risk assessments in conjunction with adjacent buildings</td>
</tr>
<tr>
<td>• reducing the <strong>degree of combustible materials</strong> in the cladding systems in the long term.</td>
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11.6.5. In the meantime, it is being ensured that the current fire safety precautions are robust and working effectively eg by reviewing fire risk assessments, conducting further tests and assessments on the systems such as fire alarms, fire detection, fire response, inspection of escape routes, storage of flammable materials and ignition sources, fire drills, and training of local personnel such as Fire Marshals.
12.0 Health and Safety Training Programme Development and Delivery

12.1. During the reporting period, the Health and Safety Directorate continued delivering a comprehensive health and safety training programme which ensured compliance with Section 2 (2) of the Health and Safety at Work etc Act 1974. Section 2 (2) prescribes the general duties of employers and makes it an employer’s duty to ensure ‘the provision of such information, instruction, training and supervision as is necessary to ensure, so far as is reasonably practicable, the health and safety at work of his employees’.

12.2. The high-quality, effective training has also ensured individual staff feel confident and competent to assess and manage health and safety issues in their day-to-day activities and environment as required under the Management of Health and Safety at Work Regulations 1999.

12.3. Regulations 13(2) states that every employer shall ensure that his employees are provided with adequate health and safety training, and specifically states the various times that it should be given, i.e. on recruitment, on being exposed to new and increased risks because of being transferred or a change in responsibility, on introduction of new work equipment or a new system of work. QMUL met its obligation by delivering a wide range of courses in different formats throughout the year.

During 2016–2017, the Health and Safety Team has delivered:

- Over 68 training courses
- Over 29 different fields, covering reflecting the diverse activities found within QMUL
- Over 1227 delegates were trained.

12.4. A range of new courses was developed and delivered to cover a variety of other health and safety risks found in the diverse activities of the university.

Six new courses were developed and delivered in 2016–2017:

- Mental Health First Aid – 2 day course accredited by Mental Health England
- Mental Health Light Training – 3 hour course
- Laboratory Safety for Non-Laboratory Staff (i.e. ITS, Estates and Facilities staff)
- Paediatric First Aid (Nursery Staff)
- Oxygen Administration for Cyanide Exposure
- First Aid Training for Staff Working/Travelling Abroad

12.5. The table and the chart in appendix 5 shows details of these courses and attendance levels.
12.6. The Health and Safety Team carried out an evaluation of all courses and made amendments to the course contents, style and delivery method to ensure that they remain suitable and sufficient for the organisational needs, as well as meeting the legislative requirements.

12.7. With the introduction of a new version 5 of IOSH Managing Safely, the course has been condensed into 3 days (from 4). This also aligns better with the business needs of those attending and falls in line with other IOSH providers.

12.8. The Managing and Working Safely IOSH courses now have three dedicated Health and Safety trainers, allowing the courses to be more focused and relevant to QMUL’s needs.

12.9. Mandatory E Learning
12.9.1. Following the introduction of the MySafety (OSHENS) system and launch of the MySafety Hub on the HSD website, the Display Screen Equipment Workstation Assessment and Fire Safety Awareness E learning has now been running for a full academic year.

12.9.2. Display Screen Equipment Workstation Assessment
12.9.2.1. As with embedding any new system, there have been system glitches, in particular issues with the HR data upload for new starters. The sheer volume of assessments that have been done and then required HSD input to solve issues found has also impacted greatly on the teams’ workload. In response, HSD staff have liaised regularly with the software provider and since they allocated a dedicated Account Manager, issues have been resolved in a timely manner and further training on all modules required from them has now taken place.

12.9.2.2. In the time period covered by this report 1355 staff have completed a workstation assessment and issues highlighted have been resolved. This training enables QMUL to demonstrate compliance with the Display Screening Equipment Regulations 2002 as well as assisting staff to learn and adopt correct postures, appropriate workstation settings and understand the importance of good housekeeping and office safety.

12.9.3. Fire Awareness Training
12.9.3.1. This training is now completed via the QMPlus platform with learner assessment being tested via a quiz at the end of the module that requires a 70 per cent pass rate. For staff the system is very user-friendly (requiring a departmental code to access). The only issues have come on the administration side as the system allows viewing of those who have completed the training but cannot say who has not (because they have to enrol).

12.9.3.2. In the time period covered by this report, 1861 staff have completed their fire awareness training. Of these, 90 per cent of them achieved 100 per cent pass rate, which shows that staff are engaged with the importance of fire safety, prevention and appropriate staff emergency response.

Section C: Monitoring Health and Safety Compliance and Performance

13.0 Audit and Inspections
13.1. To ensure that QMUL complies with Health and Safety Legislation, a comprehensive audit and inspection programme is in place to check its progress and provide improvement actions
where necessary. This includes: statutory tests and inspections, health and safety led inspections, OHSAS/HASMAP audits.

13.2. Health and Safety Led Inspections
13.2.1. The HSD reviewed the effectiveness of annual returns and self-inspections, and made changes to the process. Schools/Institutes/Directorates will no longer be required to complete health and safety annual returns as the exercise did not meet its objective but had become a meaningless task. Instead, the Health and Safety Managers/Advisers will undertake a detailed inspection of all areas, at a minimum of once a year, where they will look at hazards and work practices alongside an inspection of documentation such as local polices, safe operating procedures, risk assessments and training records. This will ensure that all significant health and safety issues are identified accurately and effectively in relation to the work environment, work processes and documentation, and issues are resolved in a timely manner.

13.3. OHSAS 18001/HASMAP Audits
13.3.1. During the reporting period, the HSD completed a number of audits across QMUL, to assess the level of awareness of health and safety policies and procedures, and the extent to which they are being appropriately applied. The audit process highlighted a reasonable level of awareness overall, and evidence of good practice in many areas. However, following the departure of the QMUL auditor in October 2016, the audit programme was put on hold. The programme schedule has been updated following appointment of the new auditor.

13.3.2. Appendix 6 outlines the QMUL H&S Audit Programme for the next three years. For easy understanding, the programme has been provided in two formats. The first table outlines the audit programme in each year and the second table provides a three-year audit programme for each School/Institute/Directorate per Academic Faculty or Professional Services. Each Faculty or Professional Services Unit will be audited at least once over a three-year cycle.

13.4. Building Hazard Registers and Security Risk Assessments
13.4.1. The HSD has developed a template to record health, safety, fire and security hazards in each building. The template is used for all academic buildings and highlights significant hazards for Maintenance and Security staff so that they know when it is safe and how to enter specialist laboratory spaces. This was a collaborative project built on a specific need by Maintenance and Security staff but it also benefits Schools/Institutes/Directorates as inappropriate access to laboratories is not only a health and safety issue but can cause compliance and confidentiality breach issues for research projects and academic teaching.

13.4.2. QMUL Security Services will use these hazard registers to complete a thorough building security risk assessment of all QMUL buildings during the next academic year.

13.5. Statutory Inspections and Tests
13.5.1. The following numbers, show the scale of the statutory tests and inspections which have been carried out by the Estates and Facilities with a specialist advisory support from the Health and Safety Team during the reporting period:
13.6. Health and Safety Peer Review and Specialist Inspections
13.6.1. To help develop the inspection skills of safety coordinators, lab managers and other volunteers and to facilitate the dissemination of best/good practice examples, ten ‘peer review’ H&S inspections were conducted. These were predominantly in the School of Medicine and Dentistry areas during the reporting period. Improvement actions were noted and follow-up advice and recommendations provided. Eight peer review inspections included a member of the BGMSC, as GMOs and biological agents were handled in these areas (see 6.0 above).

13.6.2. Examples of improvements achieved as a result of these inspections include: improved storage and segregation of hazardous chemicals; improved local exhaust ventilation devices for dust and flammable vapours; improvements or provision of hand wash sinks in locations where needed for hygiene; improved and clear hazard signage including emergency procedure notices; first aid box maintenance and re-stocks; ensuring effective disinfection procedures are in place for inactivating biological waste; ensuring lone and out-of-hours working procedures are effective and that Lab Users knew what to do in an emergency at these times.

13.6.3. The QMUL RPA conducted ionising radiation inspections of some areas ahead of the Environment Agency Inspector inspection visits during this reporting period.

14.0 Accidents, Incidents and Near Misses
14.1. RIDDOR Reportable Accidents and Incidents
14.1.1. During the reporting period, there was a total of 282 accidents/incidents/near misses and three RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrence Regulations), reportable accidents. There were no reportable diseases or dangerous occurrences.

14.1.2. There was an increase of 1 RIDDOR reportable accident/incident compared to the previous reporting period. However, compared to five years ago, there is a significant reduction in RIDDOR accident/incident report numbers, indicating a much improved health and safety environment. In particular, there is a reduction in the root cause of significant RIDDOR reportable slips, trips and fall accidents at QMUL (in 2012–13, seven out of 11 RIDDOR accidents were caused by slips, trips and falls).

14.1.3. Appendix 7 charts and tables show the RIDDOR reportable accidents and incidents for the current reporting period compared with four previous periods.
14.2. **Comparison of Accident Data with QMUL Trends and Sector Statistics**

14.2.1. Comparing QMUL accident data with other statistics from UCEA and USHA, showed that QMUL remains below the national average accident rate per 1,000 persons at risk (for staff only), at a figure of 20 as opposed to the HEI rate of 27.9.

14.2.2. **Appendix 7** charts and tables show the comparison of Health and Safety statistical performance based on the primary cause for the reporting period and compared with four previous periods.

14.2.3. The accident rate per 1,000 persons at risk for students is 0.3 as opposed to the HEI rate of 2.6. The rate for students could indicate underreporting of accidents. The increased use and a new ‘easy to report’ online accident and incident reporting tool (details below), could alleviate potential underreporting in the current period.

14.2.4. There has been a 50 per cent increase in the number of incidents reported by staff in comparison with the previous year. The analysis of these reports revealed that the increase is due to the improved near miss reporting, where no injury or ill health was caused but the incident could have led to an injury or ill health. A total of 75 near misses were reported in the reporting period compared with 49 in the previous reporting period.

14.2.5. Increased reporting of near misses is taken as a positive indicator for health and safety in the workplace as it indicates an ‘involved and positive’ safety culture (at QMUL), and that staff are proactive in identifying and rectifying issues at an early stage. Success in a campaign undertaken in the last reporting period to encourage the reporting of near misses, and the ‘ease of use’ of the new online accident and incident reporting tool could be key reasons for the increased number of reports.

14.2.6. The total number of reported slips and trips has increased slightly during this reporting period (54), compared to 2015–16 (51), and is up from 2014–15 (38). However, none were RIDDOR-reportable during this reporting period or resulted in a serious injury or a long absence (> 7 days) from work. An awareness campaign has been re-launched in areas with increased reports following analysis of the data, showing common causes and actions required to reduce their occurrence are being implemented.

14.2.7. There has been almost a 50 per cent reduction in the total number of manual handling-related injuries in 2016–17 (49 injuries), compared to 2015–16 (80 injuries). A re-vitalised manual handling training programme has been targeted to areas that had higher number of reports in the previous reporting period.

14.3. **Comparison of Near Miss Data with QMUL Trends and Sector Statistics**

14.3.1. A review of the comparison of QMUL near miss data (also termed ‘dangerous occurrences’), with national HEI sector statistics from UCEA and USHA (gathered from 81 HEIs), indicated that QMUL remains below the national average near miss rate of 0.5 per 1,000 persons at risk as opposed to the sector national figure of 1.14. If some parts of QMUL are still not reporting near miss incidents, the use of the online accident and incident reporting tool over the next reporting period will indicate whether underreporting is the cause of a lower rate compared with the national sector rate for near misses.

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Section D. New Initiatives/Projects and Plans for the Next Academic Year

15.0 New Initiatives/Projects

15.1. Development of ‘MySafety’ Online System

15.1.1. The system is titled ‘MySafety’ and modules have been designed with stakeholders’ involvement across QMUL, and each module section has been piloted at QMUL with selected areas/groups before launch.

15.1.2. The system was launched during 2017 with the following modules:

15.1.3. **Accident and incident reporting** – This module is now fully live and accessible by anyone (staff, student or visitor), who can access the QMUL HSD webpage globally – this ensures that staff and students overseas can also report accidents and incidents in real time.

15.1.4. **Display screen equipment workstation** – Training and self-assessments (see detail above in section 12.9).

15.1.5. **Audit and inspection module** – A set of inspection templates have been developed and trialled across QMUL for laboratories, offices and workshops, along with an online audit template. During 2017–18, these will be embedded in H&S inspections and audits.

15.1.6. **Risk assessment** – A general risk assessment template has been trialled and made live for use by some QMUL staff. Following ‘easy access’ to be enabled to the system with a QMUL network login, the system will be opened to all staff during 2017. Specialist templates for Bio-COSHH, Chemical COSHH, GMOs, new and expectant mothers, fieldwork etc. are being populated and trialled with volunteer groups during 2017 to ensure suitability and functionality. A programme of assistance to Schools/Institutes/Directorates to migrate existing risk assessments is being planned by HSD for 2017–18.

15.2. Dedicated Support for High-Profile Events

15.2.1. The health and safety team continued to provide support and assistance to colleagues organising and running high-profile events such as Welcome Week, winter graduation, open days, festival of communities, drone filming, Barts & QM Science Festival, Principal’s leaving events, Institute symposia, student union events and fairs, moving in weekend etc.

15.3. H&S and Fire Signage and Labels Service

15.3.1. To continue consistency and standardisation of H&S and fire safety signage across QMUL, HSD purchased better quality signage design and printing equipment and was able to provide QMUL areas with appropriate signage at low cost.

15.4. Building Users Group (BUG)

15.4.1. Following successful implementation of the BUG for the Bancroft Building and the Graduate Centre, a new BUG was formed for the Robin Brook Centre and Pathology Buildings at the West Smithfield Campus to ensure communication between occupiers from QMUL and Barts’ Hospital for health and safety and operational matters. This group reports into the School of Medicine and Dentistry Health and Safety Management Group.
15.5. **First Aid Defibrillators**

15.5.1. Following a first aid needs assessment of three main campuses, five defibrillators were purchased and placed at strategic locations. Emergency response teams and first aiders have been trained to utilise the equipment should there be a call to do so. Health and Safety and Security Teams will monitor and maintain the equipment through periodical checks and calibrations.

15.6. **Safeguarding Mental Health in the Workplace**

15.6.1. Health and Safety has launched a new programme of work to help QMUL improve the mental health and wellbeing of students and staff at work. As part of the project, H&S collaborated with the Student Services, Human Resources and Occupational Health Teams and developed a framework for Schools/Institutes/Directorates to embed mental health and wellbeing across all their activities.

15.6.2. The programme increased general awareness of mental health generally, encouraged staff and students to be open about mental health and the anti-stigma campaign has started to make a significant difference to staff and students.

15.6.3. The new Mental Health First Aiders network has been set up across the university and promoted at various events such as QMUL Wellbeing Fairs, Professional Services Annual Conference, and Leadership Team meetings etc. The aim is to ensure that each area has adequate first aid support for mental ill health similar to the first aid for physical ill health.

15.6.4. It is evident from the high demand that has been received for the Mental Health First Aid training and Mental Health Light training, there is a need for first aid support for staff and students. The programme is also intending to establish baseline data on the mental health of our students and staff and the effectiveness of the programme in place. This will be reported in the next annual health and safety report.

15.7. **DSEAR Awareness and Risk Assessment Event**

15.7.1. H&S held an event about DSEAR (Dangerous Substances, Explosives Atmosphere Regulations) in July 2017, which was attended by over 100 staff and students from QMUL Schools/Institutes/Directorates. The session provided information and practical solutions for anyone using, storing, transporting and controlling dangerous substances and/or explosive atmospheres. There are severe risks associated with the day-to-day handling of flammable materials. This experimental lecture raised the attendees’ awareness and perception of hazardous substances which are explosive and/or flammable, how to detect unsafe conditions early to avoid undesired reactions and provided safe handling procedures and guidance.

15.8. **Health and Safety Awards**

15.8.1. The health and safety annual awards ceremony took place in June 2017 and a number of QMUL Schools/Institutes/Directorates received awards for their health and safety performance and innovation.
Silver Award Winners:
- Barts Cancer Institute
- Marketing and Communications Directorate

Bronze awards winners:
- School of Geography
- School of Languages, Linguistics and Film

Special Achievement Awards:
- Dr Martin Carrier, Chair of the QMUL GM Safety Committee (1999–2015)
- Professor Isaac Abraham, SafeLab Award
- Cheryl Mason, Wolfson Institute, SMD H&S Committee Secretary (1999–2012) and continuing member
- Sam Court, Safety Coordinator for School of Biological and Chemical Sciences
- James Martin, SafeManager Award

15.8.2. The Chair of the HSE ‘health and safety myths’ challenge panel (Dr Shaun Lundy, University of Greenwich) attended as the guest of honour and his presentation on the topic of ‘leadership vs followership’ in H&S was received well by the audience. He also presented some of the award trophies to the winners.

15.9. Health and Safety Information Programmes

15.9.1. The Health and Safety Newsletter (e-Safe), is published monthly on the HSD website as well as being circulated to all Schools, Institutes and Directorates. A key Health and Safety topic is highlighted each month (eg information for first aiders, fire marshals, new policies and procedures, information on smoking cessation resources, safety signage, information for disabled staff and students, review of risk assessments, travel insurance etc.), along with accident and incident statistics and training course information.

15.9.2. The HSD website on the QMUL intranet was improved by ensuring key messages are clearly displayed and are easy to access, using ‘Plain English’ and adhering to QMUL website design criteria for ‘ease of use’.

15.9.3. A–Z topic pages have been created with consultation from Safety Coordinators to ensure ‘ease of use’ access to information by topic, with key Health and Safety categories highlighted on the front landing page. The site is comprehensively cross-referenced to allow easy navigation.

15.9.4. Two Safety Coordinators Forum meetings were conducted during 2016–17 to update, train and facilitate networking of Safety Coordinators. Topics covered included the new QMUL H&S Strategy; QMUL Online Accident and Incident Reporting System; online DSE/Fire training modules; First Aid for Safety Coordinators; Mental Health First Aid Programme; Machinery Safety; the New QMUL Risk Assessment System; and Fire Safety Lessons Learnt. Over two thirds of all Safety Coordinators attended, and feedback received indicated participants had further developed their skills and knowledge.

15.9.5. Further Faculty and School/Institute/Directorate level Safety Coordinator briefings were conducted by H&S Managers to ensure new systems and processes were embedded in 2016–17.
15.10. Income Generation
15.10.1. The Service Level Agreement (SLA) has been renewed between the HSD and Queen Mary Bio-innovations Ltd (QMBio), based at Whitechapel. This SLA brings in a small income to the Directorate of approximately £15k annually. Further income can be generated in the new contract through provision of enhanced health and safety services to QMBio.

15.10.2. HSD Managers ensured prompt and required advice on health and safety and fire safety matters, ensured QMBio procedures and arrangements were compliant with legislation, and facilitated advice and reports on tenant company interactions on health and safety and fire safety matters. Particular efforts were made by the HSD to improve management of a common courtyard space at Whitechapel for safe use by QMUL, QMBio, tenants and contractors by an agreement with all stakeholders with a Management document and procedures for safe and effective use of the space.

15.11. Higher Education Sector based Health and Safety Associations
15.11.1. The Director of Health and Safety is now the Deputy Chair and Secretary of the Universities Safety and Health Association (USHA) London Group, and facilitates the termly meetings for share of best practice and establishing benchmarking standards with Russell Group and London based Universities.

15.11.2. The health and safety team members continue to participate in sector-based national Health and Safety associations* (eg IOSH, British Safety Council, ROSPA, UCEA, USHA, ISTR, UCSF, AURPO, BOHS, UK Nanosafety Group), input to establish sector guidance on Health and Safety topics, and facilitate best/good practices back into QMUL.

* The abbreviation meaning and description of sector groups can be found online.

15.12. Barts Health NHS Trust Health, Safety, Fire and Security Committee
15.12.1. The Director of QMUL H&S is now a member of Barts Health NHS Trust Health, Safety, Fire and Security Committee. The Committee meets once a month and helps the HSD to work collaboratively with the Trust on matters of health, safety, fire and security. Nominated members from Barts Health Trust now also attend the SMD H&S Group and relevant BUG meetings.

15.12.2. A reporting system to improve accident and incident reports from QMUL staff and students working or studying at Barts Health Trust premises was instigated during 2016–17. This ensures that QMUL lead management staff in Dentistry, IHSE and the HSD receive reports in time, and can then assist staff or students with follow up and assistance, both for pastoral care, wellbeing support and health and safety.

15.13. HEI Roundtable Discussions around Wellbeing and Safety in Trans-National Education (TNE) programmes
15.13.1. The Director of Health and Safety took part in a national roundtable discussion event regarding the Trans-National Education (TNE) programmes and the impact on staff wellbeing and safety. TNE programmes can blur the boundaries between home and work lives.
Specifically, problems can arise if staff are expected to work across UK/overseas time zones, work at a distance from line management, follow overseas work culture, navigate informal practices, attempt to communicate with UK colleagues using unreliable or new technology etc.

15.13.2. Some key points in relation to the need for support networks for immediate family and wider networks for staff seconded or in long-term placements were discussed. The partner host institution overseas with the local context could be best placed to support TNE staff, and the UK University and overseas host need to identify what resources are available at each location for wellbeing and safety and support networks. The Health and Safety Team are currently looking into what measures can be put in place at QMUL and overseas locations to protect the wellbeing and safety of family members overseas and provide support for family in the UK.

15.14.1. The health and safety guidance and checklists provided during the last reporting period for international travel is now embedded and implemented in the School/Institute plans for ‘flying’ faculty teaching staff into QMUL overseas teaching locations.

15.15. QMUL Malta MBBS Programme (Medical College) – Gozo
15.15.1. In July 2017, the HSD conducted a Fire and Health & Safety Inspection of the temporary teaching premises to be used by QMUL (Malta) for the MBBS course, which is commencing in September 2017, along with the proposed student residential apartments.

15.15.2. The fire safety report raised a number of fire safety deficiencies in both sets of premises, including a lack of fire compartmentation and early warning systems. Some temporary systems have been installed and a management system put into place to ensure compliance and safe study/work areas, along with safe residential accommodation.

15.15.3. The proposed anatomy practical classroom was inspected and a number of recommendations in the report were made for staff and student health and safety, in terms of reducing exposure to hazardous chemicals to a negligible level.

15.15.4. A health and safety management document with management responsibilities and responsible persons for fire safety and health and safety, along with hazard identification and risk control practice/procedures is being completed by the HSD with further visits planned to ensure the health and safety of residential and ‘flying in’ faculty staff and residential students.

15.15.5. The HSD have also provided health, safety and fire safety advice on the proposed plans for construction of the new facilities for MBBS programme teaching in Gozo.

15.16. China
15.16.1. Following location visits in the previous reporting period, health and safety and fire safety advice has been provided remotely from London to Partner University locations in China, and to ‘flying in’ faculty.
16.0 Conclusion

16.1.1. The report highlights the significant amount of work that has been undertaken during 2016–17 to improve the management of health, safety and fire safety at QMUL. The health and safety management system remains robust and effective in minimising significant safety, health and fire risks. The QMUL Health and Safety Team continues to provide advice and guidance to managers and staff to ensure they are able to meet the needs of QMUL in compliance with legislation. The Team is also continuing to engage and collaborate with other Professional Services (i.e. Estates and Facilities, Human Resources, Student and Academic Services etc.) within QMUL to assist in the development of future strategies to further improve health, safety and fire safety standards.

16.2. The QMUL Health and Safety Advisory Group is asked to note and approve the content of this report and its presentation to Council by Professor Colin Bailey, The Principal and President.
Appendices
Appendix 1. Key Health and Safety Legislation relevant to QMUL

1.0. Health and Safety at Work Act 1974

1.1. The Health and Safety at Work Act 1974 (HASAWA, or HSWA) provides a framework for the current health and safety system in Great Britain since 1974.

<table>
<thead>
<tr>
<th>In promoting, stimulating and encouraging high standards of health and safety at work, the Act requires the governing bodies of all employing organisations to ensure the:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• safe operation and maintenance of the working environment, plant (equipment) and systems</td>
</tr>
<tr>
<td>• maintenance of safe access and egress to the workplace</td>
</tr>
<tr>
<td>• safe handling, use and storage of dangerous substances (eg in laboratories, in maintenance workshops)</td>
</tr>
<tr>
<td>• adequate training of staff to ensure health and safety</td>
</tr>
<tr>
<td>• adequate welfare provisions for staff at work.</td>
</tr>
</tbody>
</table>

1.2. Simply, the HASAW Act is based upon the principle that those who create risks to employees or others during the course of carrying out those work activities, are responsible for controlling those risks.

1.3. Key regulations enacted under HASAWA for the effective management of health and safety are noted below with context for QMUL.

2. Management of Health and Safety at Work Regulations 1999

2.0. These regulations place a duty on employers to assess and manage risks to their employees and others arising from work activities. Under the Regulations, employers must also make arrangements to ensure the health and safety of the workplace including having in place plans for responding to emergency situations (eg fire, flood, dangerous substance spill), providing adequate information and training for employees and providing health surveillance and monitoring, where appropriate (eg vaccinations when working with blood or sewage sources; respiratory tests when in potential contact with laboratory animal allergens).

2.1. Similarly, a responsibility is placed upon employees to work safely in accordance with the training and instructions given to them. Employees must also notify their employer of any serious or immediate danger to health and safety or any shortcomings in health and safety arrangements.

3. Workplace (Health, Safety and Welfare) Regulations 1992

3.0. These Regulations are related to the working environment. They require employers to ensure the workplace is safe and suitable for the tasks being carried out within it and that it does not present risks to employees and others.
The regulations cover all aspects of the working environment, including:

- maintenance of workplace, equipment, devices and systems
- ventilation, temperature, lighting
- cleanliness and disposal of waste materials
- room dimensions and space, workstations, seating provision
- condition of floors and traffic routes
- escalators and moving walkways
- sanitary conveniences, washing facilities and drinking water
- facilities for rest and welfare.

4. Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 2013

4.0. These regulations require employers and other people in charge of work premises to report and keep records of: work-related accidents which cause deaths, work-related accidents which cause certain serious injuries, diagnosed cases of certain industrial diseases, and certain dangerous occurrences.

5. Health and Safety Executive (HSE)

5.0. This is the enforcing body for the workplace health and safety legislation. It has a range of powers, such as access to work premises at any reasonable hour, freedom to interview staff, visitors, contractors or students, confiscation of equipment and applicable documents, taking statements, photographs, measurements and samples etc.

5.1. The HSE also fulfils a major role in producing advice on health and safety issues, and practical guidance on the interpretation and application of the provisions of the legislative framework (i.e. approved code of practice, topic or sector specific guidance documents).

6. Regulatory Reform (Fire Safety) Order and the Regulatory Authority (Fire Brigade Authority)

6.1. It is the Employer’s duty to make sure the workplace is safe by appointing a “responsible person” to carry out fire risk assessment relating to any premises and then acting on the findings in order to minimise the risk to people by fire.

Key duties under the Order:

- carry out a fire risk assessment of the premises and review it regularly
- tell staff or their representatives about the risks that have been identified
- put in place, and maintain, appropriate fire safety measures
- plan for an emergency
- provide staff information, fire safety instruction and training.
Appendix 2. Health and Safety Advisory Group (HSAG)’s Remit and Membership

Remit and scope of the group

The Health and Safety Advisory Group has been established following the disbandment of the QMUL Health and Safety Committee in 2011, which was a committee of Council, as a result of changes to the QMUL’s governance structure. In line with the QMUL Health and Safety Policy Statement, the Principal is responsible to Council for ensuring robust leadership of health and safety; there are constructive relations with the representatives of the recognised Trade Unions on safety matters and appropriate employee consultation; clear and delegated reporting structures, specialist and general resources to discharge health and safety requirements; and effective procedures and systems relating to health and safety.

The remit of the group is to oversee and monitor the implementation of QMUL’s Health and Safety Policy and Strategy, and to advise and provide appropriate assurance to the Principal. Under section 2(7) of the Health and Safety at Work Act 1974, and Regulation 9 of the Safety Representatives and Safety Committees Regulations 1977, the group has the general function to keep under review all measures taken to ensure the health and safety at work of all QMUL employees. In addition, the group should promote the co-operation between QMUL and its employees and students in instigating, developing and carrying out measures to ensure safety.
### Table 1. HSAG Membership

The Advisory Group holds collective accountability to the Principal on health and safety matters. The group membership will be as follows:

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Professor Edmund Burke</td>
</tr>
<tr>
<td>Vice Principal and Executive Dean (Sci&amp;Eng)</td>
<td>Zarah Laing</td>
</tr>
<tr>
<td>Director of H&amp;S</td>
<td>Margaret Ayers</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>Mike Sheppard</td>
</tr>
<tr>
<td>Director Estates and Facilities</td>
<td>Jonathan Morgan</td>
</tr>
<tr>
<td>Chairs of Faculty/School/Professional Services Health and Safety Management Groups</td>
<td></td>
</tr>
<tr>
<td>Anne Parry</td>
<td>Science and Engineering</td>
</tr>
<tr>
<td>Sarah Cowls</td>
<td>Humanities, Social Sciences and Law</td>
</tr>
<tr>
<td>Professor Mike Curtis</td>
<td>Medicine and Dentistry</td>
</tr>
<tr>
<td>Laura Gibbs</td>
<td>Professional Services</td>
</tr>
<tr>
<td>Chairs of Statutory Sub-groups</td>
<td></td>
</tr>
<tr>
<td>Dr Tyson Sharp</td>
<td>Biological &amp; Genetic Modification Safety</td>
</tr>
<tr>
<td>Professor Paul Anderson</td>
<td>Radiation Protection Safety</td>
</tr>
<tr>
<td>Safety Representatives from the Recognised Trade unions</td>
<td></td>
</tr>
<tr>
<td>Dr Swati Nehete</td>
<td>British Dental Association</td>
</tr>
<tr>
<td>Simon Coppack</td>
<td>British Medical Association</td>
</tr>
<tr>
<td>Dr James Eastwood</td>
<td>UCU</td>
</tr>
<tr>
<td>Steve Moore</td>
<td>UNITE</td>
</tr>
<tr>
<td>Una Byrne</td>
<td>UNISON</td>
</tr>
<tr>
<td>QMSU Sabbatical and Executive Representation</td>
<td></td>
</tr>
<tr>
<td>Mike Wojcik</td>
<td>Chief Executive, Queen Mary Students’ Union</td>
</tr>
<tr>
<td>Miranda Black</td>
<td>President, Queen Mary Students’ Union</td>
</tr>
<tr>
<td>Secretariat</td>
<td></td>
</tr>
<tr>
<td>Secretary</td>
<td>Siobhan Kavanagh</td>
</tr>
<tr>
<td>Health and Safety Administrator</td>
<td></td>
</tr>
</tbody>
</table>
## Appendix 3. Progress on 2016–2017 Academic Year Objectives

**Table 2. H&S Objectives 2016–17**

<table>
<thead>
<tr>
<th>H&amp;S Objectives 2016–17</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Develop and launch QMUL Health and Safety Strategy for the next five years</td>
<td></td>
</tr>
<tr>
<td>2. Complete the development, review and revision of health and safety and fire safety policies, procedures, guidance documents</td>
<td></td>
</tr>
<tr>
<td>3. Carry out an audit of the HSAG and sub-groups, its Terms of References, membership and agendas and implement an action plan from the findings of the audit</td>
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</tr>
<tr>
<td>4. Prepare Service Level Agreement for QMUL GMSC and Fire Safety with Barts Health Trust</td>
<td></td>
</tr>
<tr>
<td>5. Improve accident reporting and investigation process by means of developing online reporting system as part of ‘MySafety’ online health and safety management system</td>
<td></td>
</tr>
<tr>
<td>6. Improve health and safety inspections, risk assessment systems by means of designing suitable online system as part of ‘MySafety’</td>
<td></td>
</tr>
<tr>
<td>7. Achieve 90 per cent HASMAP Audit Programme</td>
<td></td>
</tr>
<tr>
<td>8. Implement online ‘MySafety’ audit and inspection module for monitoring of health and safety compliance</td>
<td></td>
</tr>
<tr>
<td>9. Deliver the planned comprehensive health and safety training programme, and, where possible, open courses to external candidates for income generation</td>
<td></td>
</tr>
<tr>
<td>10. Obtain an accreditation of the COSHH risk assessment course and Face Fit testing and training for respiratory protective equipment and roll this out in conjunction with Occupational Health</td>
<td></td>
</tr>
<tr>
<td>11. Obtain an accreditation with the Institute of Fire Safety Managers (IFSM) for the Fire Marshals course and open up to external delegates</td>
<td></td>
</tr>
<tr>
<td>12. Obtain an accreditation for the manual handling course with City &amp; Guilds (this is a relatively quick process as the HSD trainer is accredited via City &amp; Guilds to teach the course)</td>
<td></td>
</tr>
<tr>
<td>13. Develop and deliver laser safety training</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14. Carry out the planned peer review inspections and fire safety risk assessments</td>
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<tr>
<td></td>
<td>15. Work with Schools, Institutes, Directorates to ensure hazardous substances are not disposed of via the drains.</td>
</tr>
</tbody>
</table>
Appendix 4. Fire Alarms

Table 3. Fire Alarm Causes in Residencies – last two years comparison data

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accidental MCP</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Aerosol</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Arson</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Candle</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contractors</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cooking</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>Dust/vapour/experiment</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Electrical</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Fire</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Fire alarm fault</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Malicious MCP</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Smoking</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Steam from shower</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Unknown /other</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>32</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>

Chart 1. Residential Buildings Fire Alarms
Table 4. Causes of Fire Alarms in Residential Buildings – last two comparison data

<table>
<thead>
<tr>
<th>Residential Buildings</th>
<th>01/08/2015–31/7/2016</th>
<th>1/8/2016–31/7/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accidental MCP</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Aerosol</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Arson</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Candle</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Contractors</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Cooking</td>
<td>25</td>
<td>40</td>
</tr>
<tr>
<td>Dust/vapour/experiment</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Electrical</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Fire</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Fire alarm fault</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Malicious MCP</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>Smoking</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Steam from shower</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>Unknown /other</td>
<td>17</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102</strong></td>
<td><strong>140</strong></td>
</tr>
</tbody>
</table>

Chart 2. Non-Residential Buildings Fire Alarms
### Appendix 5. Health and Safety Training Delivery

#### Table 5. Training Attendance Data

<table>
<thead>
<tr>
<th>Topic Category of Training</th>
<th>H&amp;S Training Course</th>
<th>Total attendances 2014–15 and in brackets - Number of Sessions</th>
<th>Attendance 2015–16 and in brackets Number of Sessions</th>
<th>Attendance 2016–17 and in brackets Number of Sessions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Laboratory Hazards</strong></td>
<td>Decontamination and Sterilisation of Labs</td>
<td>-</td>
<td>18(2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bio Safety For Msc Clinical Microbiology</td>
<td>17(1)</td>
<td>9(1)</td>
<td>26(2)</td>
</tr>
<tr>
<td></td>
<td>Containment Level 3 Principles And Practices</td>
<td>22(3)</td>
<td>13</td>
<td>6(1)</td>
</tr>
<tr>
<td></td>
<td>COSHH Risk Assessment In Laboratories</td>
<td>191(8)</td>
<td>211</td>
<td>264 (10)</td>
</tr>
<tr>
<td></td>
<td>COSHH Refresher</td>
<td>-</td>
<td>6(2)</td>
<td>25(2)</td>
</tr>
<tr>
<td><strong>Physical and Infrastructure Related Hazards</strong></td>
<td>Customer Support Assistants H&amp;S Training</td>
<td>10(1)</td>
<td>6(1)</td>
<td>24(2)</td>
</tr>
<tr>
<td></td>
<td>Fieldwork Risk Assessment</td>
<td>12(1)</td>
<td>10(2)</td>
<td>15 (2)</td>
</tr>
<tr>
<td><strong>Fire Safety Training</strong></td>
<td>Fire Marshal</td>
<td>93(8)</td>
<td>120(10)</td>
<td>142 (10)</td>
</tr>
<tr>
<td><strong>First Aid</strong></td>
<td>First Aid 3 Days</td>
<td>04 (1)</td>
<td>105(9)</td>
<td>22 (2)</td>
</tr>
<tr>
<td></td>
<td>First Aid 1 Day</td>
<td>60</td>
<td></td>
<td>75(7)</td>
</tr>
<tr>
<td></td>
<td>Requalification 2 Days</td>
<td>-</td>
<td></td>
<td>10(2)</td>
</tr>
<tr>
<td></td>
<td>Emergency Paediatric First Aid</td>
<td>-</td>
<td>-</td>
<td>11(1)</td>
</tr>
<tr>
<td></td>
<td>Basic Life Support</td>
<td>-</td>
<td>-</td>
<td>6(1)</td>
</tr>
<tr>
<td></td>
<td>FA Skills Update</td>
<td>4 (1)</td>
<td></td>
<td>13(1)</td>
</tr>
<tr>
<td></td>
<td>O₂ administration for Cyanide exposure</td>
<td>4 (1)</td>
<td>-</td>
<td>11(2)</td>
</tr>
<tr>
<td><strong>Laboratory Hazards</strong></td>
<td>Liquid Nitrogen Tool Box Talk</td>
<td>72(2)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>GM And Bio Safety For Clinical Trials Staff</td>
<td>26(2)</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>GM Risk Assessment And Notification</td>
<td>45(4)</td>
<td>59</td>
<td>62</td>
</tr>
<tr>
<td><strong>Physical and Infrastructure Related Hazards</strong></td>
<td>Health And Safety For ITS Managers</td>
<td>27(1)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Lab Safety For Non Research Staff</td>
<td>13(3)</td>
<td>17</td>
<td>56</td>
</tr>
<tr>
<td>Category</td>
<td>Topic</td>
<td>Attendance (sessions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------------------------------------------------------------------</td>
<td>-----------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manual Handling</td>
<td></td>
<td>55(9) 68 (8) 84</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Laboratory Hazards</strong></td>
<td>Refresher Biological And GM Safety</td>
<td>4(1) 5(1) 34</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Safe Management Of Lab Hazardous Waste</td>
<td>7(1) - 16</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Selection Of Lab PPE</td>
<td>4(1) 5(1) 13</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Working Safely With Biological Hazards</td>
<td>148(6) 115(6) 161</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Working Safely With Ionising Radiation</td>
<td>23(3) 20(3) 19</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Health and Safety</strong></td>
<td><strong>Risk Assessment and Management</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IOSH Managing Safely</td>
<td>35(4) 37(5) 36 (4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IOSH Working Safely</td>
<td>30(3) 36(3) 21 (3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Risk Assessment</td>
<td>- - 18 (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Wellbeing and Mental Health</strong></td>
<td>Mental Health First Aid</td>
<td>- - 41 (4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>Attendance (sessions)</td>
<td>898(58) 896(75) 1227(64)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Table 6. Accident and Incident Statistics for QMUL

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Staff</td>
<td>Students</td>
<td>Staff</td>
<td>Students</td>
<td>Staff</td>
</tr>
<tr>
<td>Animal bite</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>3</td>
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<tr>
<td>Assault</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
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<tr>
<td>Contact with electricity</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Contact with moving machinery or material being machined</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Exposure or contact harmful substance or material</td>
<td>19 of 54</td>
<td>54 of 50</td>
<td>41 of 20</td>
<td>33 of 27</td>
<td>6 of 0</td>
</tr>
<tr>
<td>Exposure to heat or fire</td>
<td>6</td>
<td>6</td>
<td>16</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Injured whilst handling, lifting or carrying</td>
<td>14</td>
<td>0</td>
<td>27</td>
<td>4</td>
<td>18</td>
</tr>
<tr>
<td>Near miss</td>
<td>26</td>
<td>3</td>
<td>21</td>
<td>6</td>
<td>38</td>
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<tr>
<td>Physical assault</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Slip, trip, fall</td>
<td>44</td>
<td>10</td>
<td>45</td>
<td>7</td>
<td>27</td>
</tr>
<tr>
<td>Struck against</td>
<td>16</td>
<td>3</td>
<td>17</td>
<td>3</td>
<td>11</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>something fixed or stationary</td>
<td>149</td>
<td>80</td>
<td>203</td>
<td>139</td>
<td>168</td>
</tr>
<tr>
<td>Struck by moving, flying or falling object</td>
<td>27</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>1</td>
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<td>0</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Sub Total</td>
<td>149</td>
<td>80</td>
<td>203</td>
<td>139</td>
<td>168</td>
</tr>
<tr>
<td>Total</td>
<td>229</td>
<td>274</td>
<td>196</td>
<td>283</td>
<td>282</td>
</tr>
</tbody>
</table>

Chart 3. Staff and Students Accidents Data Comparisons

![Chart 3. Staff and Students Accidents Data Comparisons](image-url)
As can be seen from the chart opposite, the majority of accidents were reported by staff. Reporting levels for both groups have gone up in the 2016–2017 academic year. This could be due to improved awareness on the requirements of reporting accidents and incidents.

Table 7. RIDDOR Reportable Accidents and Incidents

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Injured whilst handling, lifting or carrying</td>
<td>0</td>
<td>1 (Staff)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Exposure to heat or fire</td>
<td>0</td>
<td>1 (Staff)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Exposure or contact harmful substance or material</td>
<td>3</td>
<td>1 (Staff)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Accident Type</td>
<td>2012/13</td>
<td>2013/14</td>
<td>2014/15</td>
<td>2015/16</td>
<td>2016/17</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>Slip, trip, fall</td>
<td>7</td>
<td>1 (Staff)</td>
<td>3 (Staff)</td>
<td>1 (Nursery)</td>
<td>1 (Staff)</td>
</tr>
<tr>
<td>Struck by moving, flying or falling object</td>
<td>1</td>
<td>1 (Student)</td>
<td>0</td>
<td>0</td>
<td>1 (Staff)</td>
</tr>
<tr>
<td>Struck against something fixed or stationary</td>
<td>0</td>
<td>1 (Student)</td>
<td>0</td>
<td>0</td>
<td>1 (Student)</td>
</tr>
<tr>
<td>Fall from height</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1 (Student)</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11</strong></td>
<td><strong>6</strong></td>
<td><strong>3</strong></td>
<td><strong>2</strong></td>
<td><strong>3</strong></td>
</tr>
</tbody>
</table>

**Chart 5. RIDDOR Reportable Accidents and Incidents Data Comparison by Year**
## Transparent Approach to Costing (TRAC) 2016–17

<table>
<thead>
<tr>
<th>Outcome requested:</th>
<th>Audit &amp; Risk Committee is requested to approve the process for completion of the TRAC return for 2016–17 in accordance with TRAC guidance.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary:</td>
<td>HEFCE requires a university Committee to confirm compliance with TRAC procedures, specifically the Statement of Requirements, which includes confirmation of compliance with the TRAC checklist and robustness checks. This is the responsibility of the Audit &amp; Risk Committee, however HEFCE note that due to the timing of Committee meetings it may not be possible to gain assurance from the Committee prior to the return submission date and a retrospective approval is allowed. To enable a more detailed review of the TRAC return and the data processes underpinning this, the Chair of Audit and Risk Committee attended the internal TRAC advisory group meeting in January 2018, where the results and process were reviewed. The TRAC return has been completed in accordance with the full self-assessment of compliance with the Statement of Requirements. The Director of Finance reviewed the return before it was signed by the President &amp; Principal prior to submission to HEFCE before the deadline of 31 January 2018. An internal audit of TRAC processes will be reported to the Committee In June 2018 as part of the internal audit programme. Finance &amp; Investment Committee will review the TRAC results in March 2018.</td>
</tr>
<tr>
<td>QMUL Strategy:</td>
<td>Strategic Aim 6: to achieve and sustain financial strength to enable our academic ambitions, through a balanced portfolio of activities.</td>
</tr>
<tr>
<td>Internal/External regulatory/statutory reference points:</td>
<td>HEFCE Memorandum of Assurance and Accountability TRAC Guidance</td>
</tr>
<tr>
<td>Strategic Risks:</td>
<td>11 – Sustainable income streams. 12 – Cost control, VfM and expenditure</td>
</tr>
<tr>
<td>Subject to prior and onward consideration:</td>
<td>QMSE 27 February 2018 Audit and Risk Committee 8 March 2018.</td>
</tr>
<tr>
<td>Confidential paper under FOIA/DPA:</td>
<td>No</td>
</tr>
<tr>
<td>Equality Impact Assessment:</td>
<td>None required</td>
</tr>
<tr>
<td>Timing:</td>
<td>The TRAC return is submitted annually to HEFCE.</td>
</tr>
<tr>
<td><strong>Author:</strong></td>
<td>Alex Chalker, TRAC &amp; Reporting Manager</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td><strong>Date:</strong></td>
<td>19 February 2018</td>
</tr>
<tr>
<td><strong>Senior Management / External Sponsor</strong></td>
<td>Joanne Jones, Finance Director</td>
</tr>
</tbody>
</table>
1. Recommendation

1.1 The committee is invited to note the contents of this report and confirm that the TRAC return for 2016-17 has been prepared in accordance with the TRAC requirements.

2. Purpose

2.1 The purpose of this report is to demonstrate compliance with the TRAC guidance for the academic year 1 August 2016 to 31 July 2017

3. Background

3.1 The 2016-17 TRAC return was submitted to HEFCE on 31 January 2018. The return includes a declaration by the Head of Institution as follows:

_I confirm that the costs, income and charge-out rate information reported in the attached return have been prepared in accordance with the TRAC requirements as set out in the TRAC guidance (Version 2.2 November 2017, http://www.hefce.ac.uk/funding/finsustain/trac/)._

_I confirm that a full self-assessment of compliance against each requirement listed in the guidance has been carried out in the last twelve months. I also confirm that a Board Committee has specifically reviewed the results of the tests for reasonableness and has either confirmed compliance or has drawn up an action plan for any areas where the institution is not fully compliant. I confirm that the Board Committee has lay membership (TRAC guidance section 2.1.5.18)._

Appendix A explains the requirements provided by HEFCE for the approval of TRAC returns.

4. Compliance with the Statement of Requirements

4.1 The TRAC Guidance document provided by HEFCE is updated annually and details the requirements to comply with the TRAC process. The TRAC processes are built into the internal audit cycle and were submitted to the audit plan for 2017/18

4.2 The robustness checks to ensure compliance with these requirements have included:

- Staff time allocation surveys were distributed to academic members of staff in H&SS and S&E during the 2016-17 academic year. Three separate schedules were sent out at different periods of the year in line with the TRAC guidance. SMD used the workload planning tool SWARM for the first time, overseen by the Senior Planning Officer in order to allocate their time throughout the year.
- The Finance Business Partners have reviewed the allocation of departmental non-pay costs. This has enabled us to get a more accurate allocation of costs between Teaching, Research & Other that is more specific for each faculty.
- Draft TRAC results were prepared at Faculty level in December 2017 and reviewed at a detailed level by the Financial Management team including the Director of Finance. This included a comparison with previous returns, analysis of major variances and the indirect and estate costs that are allocated to research.
- Checks have been undertaken in respect of the cost adjustment calculations to analyse the impact of the change in methodology to the Margin for Sustainability & Investment (MSI) for the 2015-16 return.
- Estates data is managed by the Directorate of Estate and Facilities Management, and all data held on a central database.
The Student numbers are received from the Strategic Planning Office (SPO) who compile the HESA Student Return and are the basis for one of the main cost drivers in the TRAC process.

Staff Data is compiled from Human Resources for data at two points in the year, March and August, and an average is calculated from this.

TRAC procedure notes are updated as necessary to include changes and developments each year.

The Cost drivers used to allocate the central services costs are consistent with those used for QMUL financial forecasts and have been received from the Reporting & Financial Planning Manager.

The TRAC & Reporting Manager and the Head of Reporting & Financial Planning regularly attend the TRAC Development Group conference to understand latest developments regarding TRAC and to benefit from case studies from across the sector. They also attend regular TRAC regional group meetings to discuss any concerns or issues faced by London based HEI’s.

The TRAC model was reconciled to the consolidated financial statements and reviewed by the Deputy Finance Director for Financial Management.

Following this initial review the Finance Director analysed the return prior to it being signed off by the President & Principal before the deadline of 31 January 2018.

The TRAC return provided by HEFCE has been validated for compliance.

4.3 RCUK made an assurance visit in July 2011 and rated our processes as Level 2 (satisfactory)

4.4 KPMG last undertook an internal audit of TRAC in December 2012. The KPMG audit gave an ‘adequate’ rating to assure there was compliance with the TRAC guidance and made no high priority recommendations.

4.5 The process and results have been reviewed by an internal TRAC advisory group on 18 January 2018 in which the Chair of the Audit & Risk Committee attended and confirmed that he was content with the process.

Alex Chalker
TRAC & Reporting Manager
12 February 2018
Appendix A – Requirements

1. An appropriate Committee of the Board (or equivalent) should confirm compliance with TRAC requirements. Compliance is the responsibility of institutional managers and institutions would generally wish to involve their Finance Committee in ensuring that this is achieved. The Audit Committee can, independently, on the advice of the internal audit service, confirm this compliance.

2. The Audit Committee should oversee the programme of internal audit and should receive reports from the internal auditor. The Audit Committee should report to the Governing Body that it has done this and whether it is satisfied on the extent of the compliance with the TRAC requirements. The Audit Committee may advise the Finance Committee (or other appropriate committee).

3. TRAC reporting to the relevant Funding Council is made by the head of institution as accounting officer. He/she would satisfy him/herself that the institution has complied with the TRAC requirements, reassured by advice from internal audit. Depending on the committee structure and governance relationships, the Finance Committee or other appropriate committee should receive a report on the compliance and maintain a strategic overview of the development of costing and other financial management initiatives in the institution.

4. The TRAC process should be subject to a periodic assurance review, the frequency of which should be determined according to the risk posed to the institution.

5. It is worth reiterating a key principle of TRAC requirements. Institutions are free to use alternative methods to those suggested in the costing standards, and discussed in the Guidance. However, to do this, they must be able to demonstrate that the information reported is at least as robust as that produced under the methods suggested in the Guidance. A reconciliation with the audited financial statements should be included as part of this.
**Outcome requested:** Audit and Risk Committee (ARC) is **asked** to note the HEFCE Annual Efficiency Return (AER).

**Executive Summary:**

**Background**

HEFCE confirmed (Oct 17) that while institutions should report on value for money (VfM) internally to governing bodies, it was no longer a requirement to submit full VfM reports as part of the Annual Accountability Return. In order to report to Government on the efficiency of the HEFCE-funded higher education sector, data will now be collected from institutions through an Annual Efficiency Return (AER) (Jan 18), reported at a sector level to the Department for Education and published by HEFCE.

The Annual Efficiency Return (AER) was signed off by the Accountable Officer (Principal) in accordance with HEFCE guidance and is now being presented to ARC for information as per HEFCE guidance.

**The Efficiency Return**

HEFCE recognise that efficiencies data is often estimated and is not necessarily comprehensive, but has asked institutions to provide information to the best of their knowledge.

Submitted data reports on new efficiencies only, as delivered in the 2016-17 academic year (base year being 2015-16). Reportable efficiencies include those that release cash or resources, result in productivity gains or capital receipts and institutions were asked to determine what efficiencies they felt were appropriate to report in view of their circumstances.

The university also submitted a response to the 2016-17 Efficiency Measurement Model (EMM) survey (Jan 18), run by the Higher Education Procurement Academy. Information included in the EMM cannot be duplicated in the AER so the EMM submission has been included as appendix A for information. In authorising the AER, the Accountable Officer affirmed the EMM data submission was reasonable and completed in accordance with EMM guidance.

The attached AER includes high-level examples of efficiency savings across professional services in 2016-17, totalling £3.4m.

Given HEFCE’s new approach to VfM reporting and further changes anticipated with the introduction of the Office for Students (OfS), work is underway to identify best practice.
regarding the alignment of the VfM/AER/EMM reporting, promotion, recording of activities and associated policy and practice.

<table>
<thead>
<tr>
<th>Internal/External regulatory/statutory reference points:</th>
<th>HEFCE annual efficiency return guidance</th>
</tr>
</thead>
</table>
| **Strategic Risks:**                                   | Strategic Risk 2: Student Experience: teaching, learning and assessment  
|                                                       | Strategic Risk 3: High quality staff  
|                                                       | Strategic Risk 9: Reputational development and external relations  
|                                                       | Strategic Risk 11: Sustainable growth  
|                                                       | Strategic Risk 12: Cost control, VfM and expenditure |
| **Equality Impact Assessment:**                        | Not required |
| **Subject to Prior and Onward Consideration by:**     | Return signed off by the Principal prior to submission on 31 January and consideration by ARC on 8 March 2018. |
| **Confidential paper under FOIA/DPA**                  | Yes – commercial sensitivity. |
| **Timing:**                                            | Requirement for submission by 31 January 2018. |
| **Author:**                                            | Kathryn English, Executive Office to the COO |
| **Date:**                                               | 5 February 2018 |

**Senior Management/External Sponsor:** Laura Gibbs, Chief Operating Officer
Annual efficiency return for AY 2016-17

Institution: Queen Mary University of London
UKPRN: 10007775

Declaration by Accountable Officer

I confirm that the information on efficiencies delivered in the 2016-17 academic year reported in the attached return is reasonable and has been prepared in accordance with guidance published on the HEFCE website (http://www.hefce.ac.uk/pubs/Year/2017/201722/).

I confirm that the governing body, or appropriate non-executive committee of the governing body, has reviewed the return.

<table>
<thead>
<tr>
<th>Name of body that reviewed the return</th>
<th>Date of meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Where the governing body or appropriate committee is meeting after the date of this return, I confirm that the return will be reviewed at the following meeting.

<table>
<thead>
<tr>
<th>Name of body that will review the return</th>
<th>Date of meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit and Risk Committee</td>
<td>08/03/2018</td>
</tr>
</tbody>
</table>

Signature of Accountable Officer: [Signature]

Name: Professor Colin Bailey
Title: QM Principal
Date: 30-Jan-18

The name and title of the Accountable Officer must be completed before the return is uploaded to the HEFCE extranet (secure area of the HEFCE website). The results file should then be printed and signed by the Accountable Officer. Please scan the signed hard copy and upload via the HEFCE extranet.
Annual efficiency return for AY 2016-17

Institution: Queen Mary University of London
UKPRN: 10007775

IN CONFIDENCE

To be returned no later than 31 January 2018.

Guidance for completing this return is provided on the HEFCE website:
http://www.hefce.ac.uk/pubs/Year/2017/201722/
Queries about completing this return should be directed to Matthew Davie:
davie@hefce.ac.uk
Queries about the HEFCE extract should be directed to Matthew Eagles:
eag@hefce.ac.uk

Please provide contact details for up to two people who can respond to any questions about your return

<table>
<thead>
<tr>
<th>Name</th>
<th>Contact 1</th>
<th>Contact 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kathryn English</td>
<td>02078825424</td>
<td>02078825425</td>
</tr>
<tr>
<td>Jo Jones</td>
<td><a href="mailto:k.english@qmul.ac.uk">k.english@qmul.ac.uk</a></td>
<td><a href="mailto:j.jones@qmul.ac.uk">j.jones@qmul.ac.uk</a></td>
</tr>
</tbody>
</table>

Headline comments (480 characters remaining):
As recognised by HEFCE, it has not been possible to provide comprehensive information on efficiencies for 2016-17 and in most cases the figures provided are estimates. The 2016-17 efficiency return information detailed, provides a sample of activity that has taken place and is reported to the best of our knowledge.

Has the Efficiency Measurement Model (EMM) survey been completed for your institution for 2016-17?: Yes
(if yes do not report EMM efficiencies in this return - refer to guidance)
### Annual efficiency return for AY 2016-17

**Institution:** Queen Mary University of London  
**UKPRN:** 10007775

Please add or remove rows as necessary. When completing the table below, please do not leave any blank rows between entries as this will cause a problem when loading into our database.

<table>
<thead>
<tr>
<th>Name of activity (maximum 100 characters)</th>
<th>Description of activity (maximum 200 characters)</th>
<th>Description of expected efficiency gains (maximum 200 characters)</th>
<th>Area of HE</th>
<th>Type of efficiency</th>
<th>Cash value in 2016-17 of efficiency gain (compared with 2016-16)</th>
<th>Comments on cash value calculations (maximum 200 characters)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation of New Online Research Management System</td>
<td>Efficient prep and integrated process for collection of resource requirements, governance oversight and workflow mgt. Budgeting, space availability and strategic decision-making transparency.</td>
<td>Reduction of systems duplication and people-time efficiencies. Ability to accommodate expansion of activity. Better quality outputs, and better able to ensure financial due diligence.</td>
<td>Research</td>
<td>Resource-releasing efficiency</td>
<td>102.0</td>
<td>2015-16 spend on consultants circa £465k. 2016-17 3x Senior Project Managers were appointed at £228k p.a. additional £6k spent on external consultants to fulfill</td>
</tr>
<tr>
<td>VAT Savings</td>
<td>Proactive approach undertaken to ensure savings on VAT in 2016/17 and avoid penalties.</td>
<td>One off VAT and tax credit (research) savings</td>
<td>Workforce</td>
<td>Cash-releasing efficiency</td>
<td>106.0</td>
<td></td>
</tr>
<tr>
<td>Capital Projects - New approach to using consultants</td>
<td>Decision to recruit 3x permanent Senior Project Managers to fulfill consultant role, to act as intelligent clients, protecting interests of QM whilst supporting the delivery of the Capital Programme.</td>
<td>Efficiency saving of circa £115k whilst recruiting permanent experienced and professionally competent QM PS staff.</td>
<td>Workforce</td>
<td>Cash-releasing efficiency</td>
<td>115.0</td>
<td></td>
</tr>
<tr>
<td>Capital Projects - new management structure</td>
<td>Restructure of Capital Projects management team resulted in two Associate Directors, one supported by a head of capital projects.</td>
<td>The change of structure and appointment of one AD and one Head equates to an efficiency saving of £20k.</td>
<td>Workforce</td>
<td>Cash-releasing efficiency</td>
<td>20.0</td>
<td></td>
</tr>
<tr>
<td>Utilities savings</td>
<td>Savings budget in 2016-17 realised through energy saving projects across GM, incl. building of energy management systems and a behavioural change programme focused on improving our carbon footprint.</td>
<td>Efficiencies in this area are expected to increase year on year.</td>
<td>Estates</td>
<td>Cash-releasing efficiency</td>
<td>208.0</td>
<td></td>
</tr>
<tr>
<td>Apprenticeships Levy</td>
<td>Deploying funds for max return on investment. Address workforce planning issues - staff retention, succession, spend on temporary labour and improving QM and development offering.</td>
<td>Offset existing spend on training and perf development. Productivity benefits from training. Targeting areas where struggle to recruit or is high turnover to reduce turnover cost spent on recruitment.</td>
<td>Workforce</td>
<td>Cash-releasing efficiency</td>
<td>16.0</td>
<td></td>
</tr>
<tr>
<td>Professional Services - Budget Redeployment</td>
<td>Efficiencies against budget were realised through a review of activity across Professional Services and identification of where activity could either stop to be done differently.</td>
<td>Identified savings of £2.9m redeployed to support strategic level activity and priorities across the institution. Resulting in both cash releasing and productivity gains.</td>
<td>Information services</td>
<td>Cash-releasing efficiency</td>
<td>2,800.0</td>
<td></td>
</tr>
</tbody>
</table>

**Total recurring efficiencies (cash-releasing, resource-releasing and additional productivity gains) (£000)**

3,456.0

**Total one-off efficiencies (capital receipt efficiencies) (£000)**

0.0
Annual efficiency return for AY 2016-17

Institution: Queen Mary University of London
UKPRN: 10007775

Your workbook has passed all validation checks

Sign-off:

1. Please ensure that you have filled in the name and title of the Accountable Officer.
   Validation passed

2. The "Name of body that reviewed/will review the return" and "Date of meeting" should be completed for either a previous or future meeting, but not in both places.
   Validation passed

Data:

3. Please provide the name and phone number or email address for at least one contact.
   Validation passed

4. Please specify whether or not you have completed the Efficiency Measurement Model (EMM) survey for 2016-17.
   Validation passed

5. There should be no blank rows between lines of data in the Data table.
   Validation passed
Institution name: Queen Mary, University of London

Submission from period: 2017

Q1. Please complete the following fields - the information is available from the detailed report created by the Efficiency Measurement Model.

Price Reduction: £3,843,564
Added Value: £1,240,261
Risk Reduction: £250,000
Process Re-engineering: £593,552
Sustainability: £662,354
Total Gross Efficiency: £6,589,731

---

eProcurement Transactions Details

Q2 No of purchasing Card Transactions:

Base line 2015/16: 36,730
Reported 2016/17: 39,949
Growth: 3,219

Q2a Value of purchasing card transactions:

Card transactions: £4,921,751

Q3: Total number of eMarketplace transactions:

Base line 2015/16: 24,317
Reported 2016/17: 34,962
Growth: 10,645

Value of eMarketplace transactions:

Value: £4,876,379

Are eProcurement transactions efficiencies (i.e. process efficiencies) included in the efficiency figures entered on Q1 on Gross Efficiency Details, for:

Q4. Procurement Card

Value: Yes - £90,132

Q5. eMarketplace
PMA/PCA

Q6. Has your institution completed either a PMA or PCA/PCIP in the last 4 years?
Value: Yes

Sustainability

Q7. Institutions current position on the Flexible Framework?
Comment: 2

If the Flexible Framework is not used, what other sustainable reporting do you use (eg EcoCampus or Green League table)
Comment:

Collaborative procurement

Are Regional Purchasing Consortia and other consortia contract efficiencies included in the efficiencies figures entered in the response to Q1 on Gross Efficiency Details?
Value: Yes

Q8. Value of consortia efficiencies
£ 1,752,253

Q8a-1 Value of consortia collaborative spend
£ 22,824,780

Q8a-2 What level of spend goes through local collaborative agreements (outside of consortia collated data)
£ 0

Details of local collaborative spend
Comment: Nothing to report

Q8b Areas of Major Spend
Please indicate for the following areas of spend the amounts included in your answer to Q1 on Gross Efficiency Details.

**ICT**

Efficiencies Reported: £313,267  
Are Regional Purchasing and other Consortia included?: Yes

**Estates**

Efficiencies Reported: £2,099,195  
Are Regional Purchasing and other Consortia included?: Yes

**Library Learning Resources Centre**

Efficiencies Reported: £23,435  
Are Regional Purchasing and other Consortia included?: Yes

**Electricity/Gas**

Efficiencies Reported: £391,276  
Are Regional Purchasing and other Consortia included?: No

**Catering**

Efficiencies Reported: £955,014  
Are Regional Purchasing and other Consortia included?: No

---

**Shared Services**

Q9 Does your institution use/provide any shared services

Comment: No

---

**EMM Verification Page**

Institutional EMM efficiencies are reported net of e-procurement and consortia contract efficiencies. These are reported separately. So any e-procurement and consortia contract efficiencies you have included in the EMM figures on Gross Efficiency Details will need to be stripped out of the total gross efficiencies shown at the foot on that page. The boxes on this verification page are automatically calculated. The figures will be carried forward from the previous pages, and the total net efficiencies for your institution will be calculated automatically. You can amend these figures by editing your entries on the previous pages.

**Total Gross Efficiencies**

Q1. Total gross efficiencies – carried forward from Gross Efficiency: £6,589,731

Less

Q4. Procurement Card – carried forward from Procurement £90,132  
Q5. eMarketplace – carried forward from Procurement £276,770
Best Practice Indicators

Please complete field for reporting year 2016/17

Q10. Impactible Spend £ 106,296,057
Q11. Impactible spend actively influenced by procurement function? £ 100,738,977
Q12. Cost of procurement function? £ 307,738
Q13. Percentage of staff in the procurement function who are Professionally qualified? 60 %
Q14. Total value of collaborative procurement through any means including local collaboration. This is automatically populated from the answers given in Q8a. To amend this figure please amend your responses in the Collaborative Spend section £ 22,824,780
Q15. Total number of orders (N.B: not value) 91,428
Q16. Total number of electronic orders placed (N.B. inc purchasing cards) 91,428
Q17. Annual Procurement Savings (to be completed by ALL institutions) £ 6,589,731

BPI Summary

BPI1 - Total cost of procurement function as % of impactible spend 0.29 %
BPI2 - Percentage of impactible spend channelled through collaborative procurement arrangements 21.47 %
BPI3 - Percentage of orders placed electronically and via purchasing cards 100 %
BPI4 - Percentage of impactible spend influenced by procurement function 95 %
BPI5 - Annual procurement savings as percentage of impactible 6 %
BPI6 - Percentage of qualified procurement staff 60.00 %
BPI7 - Where is the institution on the Flexible Framew
Outcome requested:
Audit and Risk Committee is asked to **consider** the following internal audit reports:
1. Risk Management
2. Staff Recruitment
3. SBCS
4. Student Housing

Executive Summary:
The internal audits were undertaken as part of the 2017–18 internal audit programme and all recommendations have been agreed.

<table>
<thead>
<tr>
<th>Internal Audit</th>
<th>Assurance Rating</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Management</td>
<td>significant assurance with minor improvement opportunities</td>
<td>Green/Amber</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3x medium priority</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2x low priority</td>
</tr>
<tr>
<td>Staff Recruitment</td>
<td>partial assurance with improvements required</td>
<td>Amber</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1x high priority</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6x medium priority</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1x low priority</td>
</tr>
<tr>
<td>SBCS</td>
<td>significant assurance with minor improvement opportunities</td>
<td>Green/Amber</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2x low priority</td>
</tr>
<tr>
<td>Student Housing</td>
<td>significant assurance</td>
<td>Green</td>
</tr>
<tr>
<td></td>
<td></td>
<td>N/A</td>
</tr>
</tbody>
</table>

QMUL Strategy:
Internal audit supports all areas of the strategic plan.

Internal/External regulatory/statutory reference points:
The (CUC) Higher Education Code of Governance
The Memorandum of assurance and accountability between HEFCE and institutions

Strategic Risks:
[12] cost control, VfM and expenditure;

Equality Impact Assessment:
N/A

Subject to prior and onward consideration by:
The above reports have been reviewed and responded to by the various management leads and audit participants.
QMSE 27 February 2018

Confidential paper under FOIA/DPA:
No

Timing:
The timescale for the implementation of recommendations is indicated within the individual reports and will be monitored by KPMG.

Author:
Paul Cuttle and Neil Thomas, KPMG
<table>
<thead>
<tr>
<th>Date</th>
<th>26 February 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management/External Sponsor:</td>
<td>Laura Gibbs, Chief Operating Officer</td>
</tr>
</tbody>
</table>
Risk management

Queen Mary University of London
Internal Audit 2017-18

February 2018
The contacts at KPMG in connection with this report are:

Neil Thomas  
Partner  
KPMG LLP (UK)  
Tel: 020 7311 1379  
neil.thomas@kpmg.co.uk

Paul Cuttle  
Senior Manager,  
KPMG LLP (UK)  
Tel: 07917 307842  
paul.cuttle@kpmg.co.uk

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Section one

Executive summary

Conclusion

We have reviewed the risk management arrangements at Queen Mary University of London (QMUL) and have reached an overall assessment of ‘significant assurance with minor improvement opportunities’ (amber-green) is appropriate. This is in line with management’s forecast assurance rating and reflects the fact QMUL has an established, well developed risk management framework in place that is applied across QMUL a strategic and operational level.

There is a Risk Management Strategy and supporting guidance documents that set out the framework in place to manage risk across QMUL. The suite of documents includes the relevant areas expected from good practice within the sector with the exception of detailed information relating risk appetite. Council and the Audit and Risk Committee regularly review the Strategic Risk Register (SRR) and as such are approving the scoring used by management however is good practice for an organisation to formally express its risk appetite. The Risk Management Strategy makes reference to the role of Council in risk management and states one such role is to ‘approve the appropriate risk appetite or level of exposure for the institution as a whole’. A review of Council papers from the last three years indicates this formal process has not been undertaken.

A review of the SRR confirms all risks have a statement of risk, outline the current risk rating, the controls that exist to manage the risk and the residual risk rating. There are however opportunities for improvements in the completion of the SRR. The risk description on the Strategic Risk Register (the SRR) for the majority of risks does not follow the good practice approach of articulating each risk with the cause, risk and consequence. Furthermore, the SRR does not identify target scores for each risk, the date this is expected to be reached or target dates for the implementation of specific planned mitigating actions.

We selected a sample of SRR risks and found risk owners and other relevant personnel are operating controls and implementing planned mitigating actions to effectively manage the risks.

We undertook an analysis of QMUL’s 35 local risk registers (that when last updated had 710 open risks). We found that registers are being consistently fully completed by schools and professional services in line with the expected guidance but did find three schools with risks that did not include controls despite the current risk score being less than the initial risk. Furthermore, we note that 85 risks have a current risk score less than the initial risk score suggesting that controls in place are mitigating the risk indicating a good general understanding of schools on how risks should be scored. There are however 105 risks with a risk initial and current risk rating which is the same and four risks with a current risk score above the initial risk score. If the scores are the same rating and have controls that would suggest these controls are ineffective and if the current risk rating is higher that would suggest that not that mitigating controls are not reducing risks but are ineffective to the extent that either the impact on likelihood of the risk occurring is increasing. The Strategic Risk Management Group (SRMG) should use the information available on the risk management portal to determine whether local risk registers are being completed properly and actions are impacting on initial risk scores.

Background

Risk management underpins QMUL’s operations and is an essential component in helping it achieve its Strategy. Effective risk management provides a structure and process that enables QMUL to focus on risks which may compromise QMUL in achieving its strategic objectives, while allowing staff to manage operational risks on a day to day basis.

As part of our review we considered the design of risk management arrangements in place at QMUL including how the Strategic Risk Register links with the Strategic plan, school risk registers, whether actions plans and controls are in place and the escalation process for risks identification. We will also review the operating effectiveness of new arrangements through testing and a review of documentation. QMUL has had a consistent approach to the compilation of the Strategic Risk Register in recent years but in recent months has reviewed and substantially updated it to adjust the focus on specific risks rather than areas of QMUL activity. Furthermore, the scoring mechanism has been reviewed and applied in a consistent manner which has resulted in a number of the risks being merged and one new risk being added.

This review is complemented by our cross-cutting school reviews which also include risk management arrangements within schools.

Objectives

The objectives of our review are:
Section one

Executive summary

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description of work to undertake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective one</td>
<td>We reviewed the risk management policy and compare it against good practice. This included assessing whether:</td>
</tr>
<tr>
<td>Risk Management Framework</td>
<td>• The responsibilities of key officers are clearly outlined (and included in job specifications);</td>
</tr>
<tr>
<td></td>
<td>• Risk appetite is clearly articulated; and</td>
</tr>
<tr>
<td></td>
<td>• Clear principles are outlined to guide Schools and professional service areas in identifying, assessing, managing and escalating risks.</td>
</tr>
<tr>
<td></td>
<td>• There is clear articulation of the roles of Council, Senate and other Committees in the delivery of QMUL’s risk management processes.</td>
</tr>
<tr>
<td>Objective two</td>
<td>We completed a review of the Strategic Risk Register to confirm:</td>
</tr>
<tr>
<td>Operation of Controls</td>
<td>• Whether it is being completed with appropriate detail, including mitigating controls, actions, and owners;</td>
</tr>
<tr>
<td></td>
<td>• The extent to which risks have not changed rating for a significant amount of time and why;</td>
</tr>
<tr>
<td></td>
<td>• Whether all risks at QMUL’s pre-determined level requiring escalation have been escalated and reported in the institutional risk register;</td>
</tr>
<tr>
<td></td>
<td>• Whether the Strategic Risk Register is being used as a live tool to manage the risks facing QMUL.</td>
</tr>
<tr>
<td>Objective three</td>
<td>For a sample of risks from the Strategic Risk Register we sought evidence to confirm that mitigating actions have been taken as documented, that the information is correct and that risks are escalated in a timely manner.</td>
</tr>
<tr>
<td>Progress on Actions</td>
<td></td>
</tr>
<tr>
<td>Objective four</td>
<td>We performed data and analytics routines over local risk registers. We reviewed whether all risk register fields have been complete and whether controls are impacting on initial risks.</td>
</tr>
<tr>
<td>Data and analytics</td>
<td></td>
</tr>
</tbody>
</table>

Areas of good practice

We identified the following areas of good practice:

✔ QMUL has a risk management framework in place, which outlines the process that should be followed for identifying and managing risks across the Institution.

✔ QMUL has a dedicated risk management group, Strategic Risk Management Group (SRMG). This group is in addition to the senior management team meeting, QMSE and ARC.

✔ QMUL provides a template risk register that outlines all key aspects that should be included within a risk register, such as a summary of the risk and the current risk rating.

✔ Our review of a sample of SRR risks demonstrates that risk owners are aware of the strategic risks they are responsible for and taking action to manage those risks.

Areas for development

Below we provide detail on the medium priority recommendations raised as part of the review:

▪ Risks descriptions do not include the cause and consequence. For some risks it therefore makes it difficult for those not familiar with the risk to understand how the management, mitigations and actions that need to be taken to address the risk (see recommendation one).

▪ Each risk on the SRR has a description of controls in place to mitigate against the gross risk and further planned mitigating actions to reduce the risk. However there is no target score identified for each risk requirement or the date QMUL expect this to be reached; and target date for the implementation of specific planned mitigating actions (see recommendation two).

▪ Risk appetite is not formally documented or approved by Council (see recommendation three).
Section one

Executive summary

• We have also raised two low priority recommendations regarding the Risk Management Strategy and local risk registers (see recommendations four and five).

Recommendations raised

We summarise below the number of recommendations raised as a result of our review

<table>
<thead>
<tr>
<th></th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Made</td>
<td>-</td>
<td>3</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Accepted</td>
<td>-</td>
<td>3</td>
<td>2</td>
<td>5</td>
</tr>
</tbody>
</table>
Section two

Recommendations

This section summarises the recommendations that we have identified as a result of this review. We have attached a risk rating to these recommendations as per the following table:

<table>
<thead>
<tr>
<th>No.</th>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response, officer responsible and deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>Articulation of risks</td>
<td>Accepted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The risk description on the Strategic Risk Register (the SRR) for the majority of risks does not follow the good practice approach of articulating each risk with the cause, risk and consequence. For some risks it therefore makes it difficult for those not familiar with the risk to understand how the management, mitigations and actions that need to be taken to address the risk. We recommend that as part of the next update of the Strategic Risk Register QMUL considers completing a root cause analysis for each risk identified and articulating each risk by setting out the cause, risk and consequence.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>Target score and actions</td>
<td>Accepted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Each risk on the SRR has a description of controls in place to mitigate against the gross risk and further planned mitigating actions to reduce the risk. However there is no:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Target score identified for each risk requirement or the date QMUL expect this to be reached; and</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Target date for the implementation of specific planned mitigating actions. We recommend a target score and target date is identified for each SRR risk. This will help give users of the SRR an indication of how effective current controls are and how much further work is required to bring the risk to an acceptable level. As well as an overall target date it is good practice for target dates to be recorded for each planned mitigating action. This will help provide detail on which planned actions are easier/more difficult to implement and can help management’s focus in the allocation of resources.</td>
<td></td>
</tr>
</tbody>
</table>
## Section two

### Recommendations

<table>
<thead>
<tr>
<th>No</th>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response, officer responsible and deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>No Risk</td>
<td><strong>Recommendation</strong>&lt;br&gt;There is limited information within the Risk Management Strategy on risk appetite. Council and ARC regularly review the SRR and as such are approving the scoring used by management it is good practice for an organisation to formally express its risk appetite. The Risk Management Strategy makes reference to the role of Council in risk management and states one such role is to 'approve the appropriate risk appetite or level of exposure for the institution as a whole'. A review of Council papers from the last three years indicates this formal process has not been undertaken. QMUL should document its risk appetite setting out the following:&lt;br&gt;• How much risk it wishes to take in pursuit of its objectives;&lt;br&gt;• How risk appetite is defined in terms of different categories of risk and communicate this to management;&lt;br&gt;• What risks QMUL are prepared to take with the right controls in place; and&lt;br&gt;• How this translates into a tool for management.&lt;br&gt;Once the exercise is complete QMUL should consider how and how frequently it reports its appetite. This could be reported as appendix to the Strategy or a separate document and should be approved by Council.&lt;br&gt;</td>
<td><strong>Accepted</strong>&lt;br&gt;Work will be undertaken to document QM’s risk appetite in line with the above recommendation. Following consultation and approval by SRMG and QMSE during 2018, the document will be presented to Council for approval.&lt;br&gt;November 2018&lt;br&gt;Vice Principal (Science and Engineering)</td>
</tr>
<tr>
<td>4</td>
<td>Risk Management Strategy</td>
<td>We reviewed QMUL’s Risk Management Strategy and other supporting documents and found they capture the key expected areas. However we note it does not include section on risk management education and training.&lt;br&gt;At the next update of the Risk Management Strategy QMUL should consider including guidance on this area to be consistent with sector good practice.&lt;br&gt;</td>
<td><strong>Accepted</strong>&lt;br&gt;Risk management education and training will be included as an agenda item and considered at the SRMG meeting in April 2018. An update will then be provided on any decisions and approach to be taken forward.&lt;br&gt;November 2018&lt;br&gt;Vice Principal (Science and Engineering)</td>
</tr>
<tr>
<td>5</td>
<td>Local risk registers</td>
<td>We reviewed QMUL’s local risk registers as all registers are recorded on an online system and in the same format. We found that of the 720 current open risks:&lt;br&gt;• 106 risks have the same initial and current rating;&lt;br&gt;• four local risks with residual ratings greater than current ratings.&lt;br&gt;The next round of risk management training should focus on risk scoring and the impact on actions on residual risks. QMUL should also regularly run reports from the risk management system to identify instances where local risk owners are scoring risks inappropriately or not inputting residual ratings and report this to each SRMG quarterly meeting.&lt;br&gt;</td>
<td><strong>Accepted</strong>&lt;br&gt;Work will be undertaken to ensure a focus on risk scoring and the impact on actions on residual risks is included in the next round of training. The recommended report and timetable for the running of future reports will be presented at the SRMG meeting in April 2018.&lt;br&gt;November 2018&lt;br&gt;Vice Principal (Science and Engineering)</td>
</tr>
</tbody>
</table>
## Appendix one

### Objective one: Risk management framework review

### Risk management

As part of our review we have compared QMUL’s Risk Management guidance documents (‘Risk Management Strategy’, ‘Risk Management Methodology’ and ‘Guidance notes’), against leading practice themes. In the table below we have drawn out some common sections from other Risk Management Policies and have compared their content to QMUL’s.

<table>
<thead>
<tr>
<th>Leading practice elements of risk management framework</th>
<th>KPMG commentary</th>
</tr>
</thead>
</table>
| **Instructions: aims and objectives of risk management** | ✓ The Introductory and Risk Policy Statement Sections of the Risk Management Policy outline the purpose and aims of using Risk Management.  
   ✓ The Risk Management Objectives in the policy outline QMUL’s approach to risk management and their aims. |
| **Risk management background, overview and glossary of terms** | ✓ The Introductory Section of the Risk Management Policy gives an overview of the risk management background.  
   ✓ The Definitions Sections defines the key terms of risk management. |
| **Definition of risk and how it should be managed** | ✓ The Definitions section of the Risk Management Policy sets out the definition of risk.  
   ✓ QMUL’s approach to risk management is stated in the Risk Management Objectives.  
   ✓ The Risk Management Structure section in the Risk Methodology document gives an overview of how risk management is structured at all levels. |
| **Roles and responsibilities of University staff with respect of risk management** | ✓ The Risk Management as part of the system of Internal Control section of the policy outlines the roles and responsibilities of bodies such as the Council, Audit and Risk Committee, QMSE, Strategic Management Group and individuals such as Vice Principals and Heads of School. |
| **Risk reporting structure, including a clear risk escalation process** | ✓ The Risk Management Structure Section in the Risk Methodology Document outlines the risk reporting structure. It also mentions how Risks from the Strategic Risk Register which are specifically relevant to a particular department, faculty or school will be ‘cascaded down to the lower level risk register by the representative of that area on the SRMG’. Similarly, ‘risks on school, department, or faculty risk registers which are considered to have a strategic impact will be cascaded up’ by the area representative. |
| **Risk management process** | ✓ This is outlined in the Risk Management Process section within the Risk Management Policy. It covers the following areas:  
   - Statutory Requirement to maintain strategic risk register  
   - Expectation that Risk Registers and Change Logs are produced and maintained  
   - Expectation that risk registers are updated via web app bi-annually and are subject to regular review  
   - The strategy for managing risk |

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Document Classification: KPMG Confidential
Appendix one

Objective one: Risk management framework review

<table>
<thead>
<tr>
<th>Leading practice elements of risk management framework</th>
<th>KPMG commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification of risks, including template risk assessment and escalation forms</td>
<td>✓ No risk register template is included in either the Risk Management Policy or the Risk Methodology as staff update risks on the register through a web app. Staff are therefore given a guidance document which advise how to appropriately populate the risks. It is organised by risk register column to show staff how to input the risks step-by-step.</td>
</tr>
</tbody>
</table>
| Risk grading, including links to the University’s risk matrix | ✓ Appendix 4 in the Risk Methodology Document includes the QMUL Risk Matrix which uses a traffic light system to score the level of risk and how frequently risks should be reviewed.  
 ✓ Appendix 2 in the Risk Methodology Document outlines guidance for impact scoring which then feeds into the score used in the Risk Matrix. |
| Risk management training and education | ▪ There is no reference in either the Risk Management Policy or the Risk Methodology Document to Risk Management training and education (see recommendation four). |
| Risk appetite | ▪ There is limited information within the Risk Management Strategy on risk appetite. Its good practice for an organisation to decide its risk appetite and to also formally express it. The Risk Management Strategy makes reference to the role of Council in risk management and states one such role is to ‘approve the appropriate risk appetite or level of exposure for the institution as a whole’. A review of Council papers from the last three years indicates this formal process has not been undertaken (see recommendation three). |
### Objective one: Risk management framework review

#### Risk identification and governance framework

Below we have set out the QMUL’s process for identifying and for managing risks through its governance arrangements.

<table>
<thead>
<tr>
<th>Process</th>
<th>KPMG Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local risk registers are required to be formally updated on an annual basis as part of the Planning and Accountability Review. However QMUL recommend that registers are updated at least every 6 months.</td>
<td>✓ A risk management framework is in place, which provides guidance to Schools and Professional Services around identifying, assessing and escalating risks.</td>
</tr>
<tr>
<td>Local registers are generally operational risks for that area. Risks that may be considered to have a strategic impact will be cascaded up.</td>
<td>✓ Risk registers follow a standard template which allows the SRMG to understand the impact of local risks and assess their QMUL wide impact.</td>
</tr>
<tr>
<td>If a risk is identified by a local area as a possible strategic risk, the Strategic Risk Management Group (SRMG) representative for that area is notified and they will ensure the risk is discussed at SRMG (each area has a Vice-Principal/Chief Operating Officer representative on SRMG).</td>
<td>✓ QMUL uses an electronic web based system which allows for the monitoring of completion by Schools.</td>
</tr>
<tr>
<td>The SRMG meets three times a year. At this meeting the strategic risk register (SRR) is always reviewed and updated. SRMG also review a sample of School registers on a cyclical basis.</td>
<td>✓ SRMG review all School registers on a cyclical basis. Two School registers are reviewed alongside the SRR at each SRMG meeting.</td>
</tr>
<tr>
<td>Queen Mary Senior Executive (QMSE) and the Audit and Risk Committee (ARC) review the updated SRR on a quarterly basis. Following ARC, Council, which has overall responsibility for risk management, receive routine ARC executive summaries and minutes. Council also receive the SRR at least once a year (and more regularly if ARC need to bring any specific risk matters to Council’s attention).</td>
<td>✓ The SRR is reviewed by QMSE and ARC on a quarterly basis. A review of minutes indicate a high level of scrutiny and challenge at this meetings.</td>
</tr>
<tr>
<td></td>
<td>✓ Council receives assurance from ARC on the risk management framework. Council also receives a copy of the SRR on an annual basis.</td>
</tr>
</tbody>
</table>
Appendix two

Objective two: Operation of controls

Review of the Strategic Risk Register

We have reviewed QMUL Strategic Risk Register (SRR) and considered whether this is being completed in sufficient detail, in line with QMUL’s risk management framework and our knowledge of best practice risk registers.

<table>
<thead>
<tr>
<th>Key areas of Risk Register</th>
<th>KPMG commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique risk reference</td>
<td>✓ All risks are numbered.</td>
</tr>
<tr>
<td>Risk date</td>
<td>✓ The date of each risk register is included on the SRR.</td>
</tr>
<tr>
<td>Statement of risk</td>
<td>• Risks are mainly descriptive, rather than following the cause, risk, consequence approach. Therefore the cause and impact of a risk are not being outlined which means they are not always addressed in a specific manner in the controls implemented section of the SRR (see recommendation one).</td>
</tr>
<tr>
<td>Primary Goal Impacted</td>
<td>✓ All risks state which strategic area they relate to and state which numerical strategic objective they relate to.</td>
</tr>
<tr>
<td>Risk type</td>
<td>✓ Risk type such as financial, operational, reputational etc. is not stated, however the risk type can be inferred from the strategic area heading.</td>
</tr>
<tr>
<td>Current controls</td>
<td>✓ All risks have current controls outlined in the risk register.</td>
</tr>
<tr>
<td>Owner</td>
<td>✓ All risks have an owner assigned in the risk register.</td>
</tr>
<tr>
<td>Updater</td>
<td>✓ All risks have an updater assigned in the form of 'lead officer' on the risk register.</td>
</tr>
<tr>
<td>Overall rating</td>
<td>✓ All risks have an initial and residual risk score.</td>
</tr>
<tr>
<td>Change</td>
<td>✓ All risks have change indicated through the 'Direction of travel' column, which uses arrows to indicate whether the risk position is improving, worsening or unchanged.</td>
</tr>
<tr>
<td>Previous rating (overall)</td>
<td>✓ All previous risk rating scores are included in the cells to the right of the register. The date of the previous register plus each risk’s gross and net score is listed.</td>
</tr>
<tr>
<td>Planned mitigating actions</td>
<td>✓ All risks have planned mitigating actions outlined in the risk register.</td>
</tr>
<tr>
<td></td>
<td>• With the exception of one risk, further actions are not assigned a target date. QMUL would benefit from a target implementation/integration date for each mitigating action (see recommendation two).</td>
</tr>
<tr>
<td>Commentary</td>
<td>✓ Commentary is provided for risks where appropriate in the form of notes.</td>
</tr>
<tr>
<td>Residual risk</td>
<td>✓ All residual risks are lower than their current risk, which suggests that mitigating actions are expected to be successful.</td>
</tr>
<tr>
<td></td>
<td>• No target dates are given for when the residual risks are expected to be achieved (see recommendation two).</td>
</tr>
</tbody>
</table>
Appendix three

Objective three: Progress on actions

Background

We selected a sample of risks from QMUL’s SRR and sought evidence to confirm that mitigating actions have been taken as documented, that the information is correct and that risks are escalated in a timely manner. For each of the sampled risks, we have held discussions with the risk/control owners and inspected documentation to ensure that the specified actions have been taken.

Key

- Current control
- Planned mitigating action

(A) Control implemented and is operating effectively
(B) Control identified and are being implemented

<table>
<thead>
<tr>
<th>Ref: risk</th>
<th>Actions taken as per risk register</th>
<th>KPMG Commentary</th>
</tr>
</thead>
</table>
| 2. Student experience: teaching, learning & assessment | • Students’ Union strategy (A)  
• SETLA strategy and plans (A)  
• Employability and success strategy and plans (B)  
• Components of the Estates strategy (B)  
• 10 year capital framework (A)  
➢ Continue working on a set of measures to improve teaching estate  
➢ Clear priority on improving retention and success  
➢ Work to improve the teaching estate and IT | ✓ The key strategies listed are in place (Student Union Strategy and SETLA strategy).  
✓ 10 year capital framework in place and as noted the Estates Strategy is still being worked on as such shows partial control.  
✓ A classroom improvement group has been established but is not yet fully embedded and as such shows partial control.  
✓ Plans in progress for retention but not embedded although each faculty has their own plan in place.  
✓ Score reduced from 20 to 16 but not reduced further because various plans are in development but these are not fully embedded with evidence of outcomes. |
| 9. Reputational Development and External Relations | • Student Experience and Research Excellence both critical contributors to building and sustaining reputation (A)  
• Centre for Public Engagement (A)  
• Public Engagement Strategy (A)  
• Life Sciences Institute (B)  
➢ Ongoing work to maximise the impact of the QMUL brand  
➢ Reputation task & finish group | ✓ In November 2016 QMUL became the first institution to be awarded the Engage Watermark in recognition of its public engagement work. Indicating QMUL as leader in field.  
✓ Strategy regarding Life Sciences has slightly changed but still looking to build up centre of excellence so recorded as identified control but not implemented.  
✓ Ongoing work to develop reputation better i.e. bringing Barts and QMUL brands together.  
✓ Rep task and finish group. Engaged a branding agency but results not yet embedded.  
✓ Score reduced from 20 to 12 to reflect that the majority of controls are fully implemented and mitigating the risk. |
### Appendix three

**Objective three: Progress on actions**

<table>
<thead>
<tr>
<th>Ref: risk</th>
<th>Actions taken as per risk register</th>
<th>KPMG Commentary</th>
</tr>
</thead>
</table>
| 15. Security of people, assets and data in line with current legislation | - Insurance, health & safety policy and procedures, data security, planned maintenance, inspection and alarm testing policy and procedures  
- Emergency Response Plan (A)  
- Business Continuity Plan (A)  
- Fire Risk Assessment process (A)  
- Estates Strategy (B)  
- Event management protocols (A)  
- Police and security service liaison (A)  
- Data security policies and procedures and IT resilience plan (B)  
- Internal audits regularly reviewed by Audit and Risk Committee (A)  
- Freedom of Speech policy (A)  
- Creation of data centre network; fire risk assessment process and associated maintenance plan:  
  - Enhanced relationships with senior police leadership in relation to personal security are ongoing  
  - Ongoing development of the long term maintenance strategy | ✓ There are up to date policies covering people, asset and data security.  
A number of controls are partially in place and this is clearly marked in the risk register (e.g. development of new Estates Strategy and data security policies and procedures).  
Long term maintenance plan prioritising works for fire safety and other compliance issues for 16/17 cycle of works are not embedded therefore identified and further action.  
Score reduced from 20 to 12 to reflect that the majority of controls are fully implemented and mitigating the risk. |
| 16. Research income generation | - Mechanisms to offset the threat of loosing EU funding (B)  
- Appropriate recovery of overheads (B)  
- Review of research support (B)  
- Annual research reviews (A)  
- Strategic Grants Advisory Group (A)  
- EU Advisory Group and VPRAG monitoring potential impact of Brexit but loss of access to EU research funding and changes to government policy could have a significant impact Implementation of research support review recommendations. | ✓ Mechanisms set up to understand income streams from EU and other sources including EU Advisory Group which has now met several times.  
A new costing system in place managing recovery of overheads including automation of escalation when targets not achieved. This is maximising existing income streams.  
Targeting of funding while still available before Brexit.  
Following conclusion that there is scope for targeting partnership working with other HEIs and industry strategies in development for achievement of this.  
Score reduced from 20 to 16 but not reduced further due to uncertainty of Brexit and what this will mean. Even with work streams in place the potential new sources of income would not offset existing EU funding. |
Objective four: Data and analytics

Review of local risk registers

Using a download of all faculty and school risk registers we have undertaken two tests:

- reviewed the completeness of risk registers to confirm all fields are being completed; and
- reviewed whether risk scores are moving from initial to current score.

Completeness of local risk registers

From our analysis over the 35 departments and schools that there are open 710 risks. Of these, only three have risks with incomplete cells. The Barts Cancer Institute, Blizzard Institute, and School of Engineering and Materials Science all have one risk without an identified control in place even though the current risk is less than the initial risk. Otherwise, all other risks have been populated as per the QMUL guidance document. See recommendation five.
Objective four: Data and analytics

Impact of actions on risk score

Of the 710 risks in the 35 local risk registers 601 (85%) have a current risk score less than the initial risk score suggesting that controls in place are mitigating the risk. However there are 105 risks with a risk initial and current risk rating which is the same and four risks with a current risk score above the initial risk score. If the scores are the same rating and have controls that would suggest these controls are ineffective and if the current risk rating is higher that would suggest that not that mitigating controls are not reducing risks but are ineffective to the extent that either the impact on likelihood of the risk occurring is increasing. See recommendation five.
Appendix five

Staff involvement and documents reviewed

The following staff were involved in the scoping and completion of this review:

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edmund Burke</td>
<td>Vice Principal (Science and Engineering)</td>
</tr>
<tr>
<td>Laura Gibbs</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>Coleen Colechin</td>
<td>Director of Research Services</td>
</tr>
<tr>
<td>Maggie Leggett</td>
<td>Director of Marketing and Communication</td>
</tr>
<tr>
<td>Monique Arthur</td>
<td>Planning Officer</td>
</tr>
</tbody>
</table>

Documentation inspected included the following:

- QMUL’s Strategic Risk Register
- QMUL’s Risk Management Policy
- QMUL’s Risk Methodology Document
- Copy of the Strategic Risk Register
- All local Risk Registers
- Minutes from Council from 2016
- Minutes from SRMG from 2016
- Minutes from ARC from 2016
- Minutes from QMSE from 2016
Recruitment

Queen Mary University of London
Internal Audit 2017-18
—
February 2018
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2. Recommendations 6

Appendices

1. Evaluation of processes and controls design
2. Substantive testing
3. Data collection and reporting
4. Staff involved and documents reviewed

Status of report

<table>
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<tr>
<th>Status</th>
<th>Date</th>
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<tr>
<td>Discussion draft issued</td>
<td>18 February 2018</td>
</tr>
<tr>
<td>Management responses received</td>
<td>23 February 2018</td>
</tr>
<tr>
<td>Final report issued</td>
<td>3 February 2018</td>
</tr>
<tr>
<td>Presented to Audit and Risk Committee</td>
<td>8 March 2018</td>
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Distribution

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<th>To (for action):</th>
<th>CC (for information):</th>
</tr>
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<tbody>
<tr>
<td>Alastair Kelly, Deputy Director of Human Resources</td>
<td>Dalia Dasgupta, Interim Director of Human Resources</td>
</tr>
<tr>
<td>Lee McNally, Head of Enabling Services</td>
<td>Laura Gibbs, Chief Operating Officer</td>
</tr>
<tr>
<td></td>
<td>Audit and Risk Committee</td>
</tr>
</tbody>
</table>

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Section one

Executive summary

Conclusion

We have reviewed the recruitment processes and controls in place at Queen Mary University London (QMUL) for the recruitment of permanent academic and non-academic staff and reached an assessment of ‘partial assurance with improvements required’ (amber-red). QMUL’s forecast assurance rating was ‘significant assurance with minor improvement opportunities’ (amber-green). QMUL has appropriate policies in place and an online recruitment system that automates a number of controls however there are issues with the completeness of information being uploaded onto the system and a lack of monitoring and reporting of recruitment KPIs. This lack of monitoring for example means QMUL is not feeding equality and diversity recruitment data in the wider information collected in this area.

QMUL has a Recruitment Policy and there are clear processes for the approval process that includes the completion of a business case and five tier authorisation ((HR Administrator / School Administrator, Assistant HR / Partner, Finance / Research Grant, Faculty level and Final HR Administrator review). There is also guidance on how the interview and offer stages are managed to ensure uniformity and compliance with underlying legal requirements.

QMUL uses an online recruitment system, Lumesse i-Grasp (i-Grasp) which means many key controls are automated and users are required to follow expected processes built into the system. There is still a requirement to upload information onto the system and some controls are reliant on users. Our testing found exceptions where information was not uploaded on I-Grasp and could not be located. Our sample testing of 25 cases found examples of missing business cases, missing approval for a role to be advertised from the 5 tier authorisation (detailed above) and missing approval for offers to applicants. We do note every case in the sample was reviewed by finance and the faculty and by at least two of the three HR tiers. Our testing of evidence from interviews also found examples of missing shortlisting forms (two of 25 cases) and interview record form (one of 25 cases). For three of 25 cases two interviewers from QMUL undertook the interview when QMUL’s policy requires three interviewers. For eight of 25 cases there is no evidence an interviewer attended the required “fair selection and interview” training.

There is currently no data collection and performance reporting relating to the recruitment process which means we were unable to complete objective four of the review. In particular, QMUL has not set an expectation on the duration of the recruitment process and consequently there is no monitoring of performance. QMUL is therefore unable to understand whether it has an efficient process and whether there are bottlenecks and inefficiencies within the process. There should also be a suite of wider KPIs covering areas such as offer acceptance rate, retention rates and costs per hire. There is also a gap in how recruitment feeds into the wider equality and diversity data that is reported internally and on QMUL’s website. QMUL records information on students and workforce but not in relation to recruitment. Information is periodically collated as part of Athena Swan compliance but this is in discreet areas and requires significant input from staff before it can be analysed. Incorporating routine data collection into the recruitment process should be relatively easy given QMUL uses an online recruitment system.

Background

A well established end to end and user friendly recruitment process will ensure QMUL is able to recruit in a timely manner and avoid losing high calibre candidates that will potentially have multiple offers. QMUL has an online platform, i-Grasp designed to handle every stage of the recruitment process, from job initiation and authorisation through to candidate sourcing, management, long-listing, selection and offer. The system is used for both recruitment of academic and non-academic staff. As part of our review we considered the processes and controls in place to ensure vacancies for permanent employees are only advertised when needed and approved and the process for recruitment once a vacancy has been approved.

Objectives

The objectives of our review were:

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description of work undertaken</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective one Request to recruit</td>
<td>We reviewed the controls to ensure vacancies are only advertised when there is a need to fill the post and sufficient senior level of challenge to the need to recruit through a business case or other form of justification.</td>
</tr>
<tr>
<td>Objective two Recruitment process</td>
<td>We reviewed the design of the recruitment process for staff once a request to recruit is approved. This included the process for shortlisting, interviewing and making offers to candidates.</td>
</tr>
<tr>
<td>Objective three Sample testing</td>
<td>We tested a sample of 25 recruited staff during 2017/18 to evaluate whether the controls identified in objective one and two are operating correctly. We were not able to review time taken to recruit for the sample and identify where delays occurred, as QMUL does not currently record this information.</td>
</tr>
</tbody>
</table>
**Section one**

**Executive summary**

<table>
<thead>
<tr>
<th>Objective four Data collection and reporting</th>
<th>We considered the extent to which management has current and accurate data for recruitment which includes key performance indicators and how this is reviewed and challenged at senior levels. In particular we considered the collating and reporting of equality and diversity data and how this is considered as part of QMUL’s wider equality and diversity objectives.</th>
</tr>
</thead>
</table>

**Areas of good practice**

- The recruitment system (i-Grasp) has enabled the automation of a number of processes (such as different stages of authorisation and interview slots booking) This ensures the controls are carried out on a regular basis, and increases the efficiency of the recruitment process.
- Successful candidates are invited to QMUL to undergo recruitment checks before they start work. This ensures checks are carried out before the employment contract is issued.
- There are clear and easily accessible recruitment policies and procedures in place. This ensures that relevant staff have access to the necessary detailed guidance in relation to the steps and controls performed as part of the recruitment process.

**Areas for improvement**

We have raised the following high and medium priority recommendations.

- There is limited reporting and data analysis completed on recruitment. **Recommendation One**.
- The current policies and procedures in place do not set out an expectation regarding the duration of the recruitment process. As QMUL has not set a target there is no monitoring of performance and thus no ability to understand whether the recruitment process is being managed on a timely basis. **Recommendation Two**.
- Our sample testing found instances of missing authorisations within the vacancy authorisation and offer approval processes. **Recommendation Three**.
- Our sample testing of interviews found a number of instances where supporting documentation could not be found. **Recommendation Four**.
- For three of 25 cases two interviewers from QMUL undertook the interview. QMUL’s policy requires at least three interviewers to attend an interview. **Recommendation Five**.
- For eight of 25 cases there is no evidence to confirm an interviewer has attended the required “Fair selection and interview” training. **Recommendation Six**.
- The HR department does not have direct access to the full reporting capabilities of the HR systems. The team has access to the employee records and limited number of system reports however in cases where further customisation of the reported data is required this is raised through an IT Systems helpdesk. **Recommendation Seven**.
- Our review of the data provided for sample testing from the HR system, Resource Link, showed that 56 starters had not been assigned with faculty/department hierarchy. **Recommendation Eight**.

**Recommendations**

We summarise below the recommendations raised as a result of our review

<table>
<thead>
<tr>
<th></th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Made</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Accepted</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>8</td>
</tr>
</tbody>
</table>

**Acknowledgement**

We thank the staff involved for their assistance during this audit.
Section two

Recommendations

This section summarises the recommendations that we have identified as a result of this review. We have attached a risk rating to these recommendations as per the following table:

<table>
<thead>
<tr>
<th>No.</th>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Reporting and KPIs</td>
<td>Accepted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>There is no recording or reporting of key performance indicators. As per recommendation two, there should be recording and monitoring of lead times for recruitment. Additionally there are a number of other indicators QMUL should be monitoring performance against. We recommend HR agree a suite of KPIs and these are reported an appropriate forum to help QMUL understand performance and identify actions were appropriate. KPIs could include the following:</td>
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<td></td>
<td></td>
<td>• Timeliness (splits can be made in several ways including average number of days taken for job profile approval, shortlisting, interviewing, completion of conditional offers);</td>
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<tr>
<td></td>
<td></td>
<td>• Pipeline (i.e. roles where recruitment is in process);</td>
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<tr>
<td></td>
<td></td>
<td>• Diversity and equality metrics hiring metrics;</td>
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<td></td>
<td></td>
<td>• Offer acceptance rate;</td>
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<td></td>
<td></td>
<td>• Retention rates; and</td>
<td></td>
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<td></td>
<td></td>
<td>• Cost per hire.</td>
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<tr>
<td>2</td>
<td>2</td>
<td>Expectation regarding the timing of the recruitment process</td>
<td>Accepted</td>
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<tr>
<td></td>
<td></td>
<td>The current policies and procedures in place do not set out an expectation regarding the duration of the recruitment process. As QMUL has not set a target there is no monitoring of performance and thus no ability to understand whether the recruitment process is being managed on a timely basis. QMUL should set an expected target for the overall end to end recruitment process and targets for each elements of the process so bottlenecks and efficiencies can be identified.</td>
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</tr>
</tbody>
</table>

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## Section two

### Recommendations

<table>
<thead>
<tr>
<th>No</th>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response</th>
</tr>
</thead>
</table>
| 3  | 2    | **Vacancies authorisation and offer approval**  
Our testing of 25 records found the following evidence has not been retained for:  
- one the business case / budget approval for advert;  
- two the Tier 1 (School / HR administrator) approval for advert;  
- four the Tier 5 (Final HR Administrator) approval for advert;  
- two the Tier 5 Tier 1 (HR Administrator) approval of the offer made to the applicant;  
- Thirteen of the Tier 2 (Assistant / HR Partner) approval of the offer made to the applicant;  
- one the Faculty approval of the offer made to the applicant.  
- three the Tier 5 (Final HR Administrator) approval of the offer made to the applicant.  
We recommend the Recruitment team perform its own sample checks on recruitment authorisation processes. Staff involved in the authorisation processes should be reminded of the requirements of the policies and procedures in place. In addition, QMUL should implement a standardised recruitment approach for all different recruitment streams (including Professional Services). This may result in the HR tiers being streamlined or ensuring all areas recruiting are following the current 5 tier process. | **Partially Accepted**  
Faculties adopt different authorisation routes to suit their circumstances. We have looked to streamline this through Process Improvement work previously.  
The absolute requirement is that an individual from HR, Finance and the Faculty sign off on appointments plus the right to work check is carried out.  
As per the graphs in Appendix 3 that happened in all 25 cases. Spot checks will be possible through the new Data Quality Workbooks and will be in place going forward.  
Owner: Lee McNally, March 2018 |
| 4  | 2    | **Maintaining supporting documentation**  
Our sample testing found a number of instances where supporting documentation could not be found.  
- For two of 25 cases, no evidence for the shortlisting process as the “Shortlisting form” could not be located.  
- For one of 25 cases, no evidence for the completion of the interview process as the “Interview record form” could not be located.  
HR should perform its own sample checks on recruitment documentation. The i-Grasp system provides one location for document retention and staff involved in recruitment should be reminded of the need to ensure full documentation is attached. | **Accepted**  
This documentation is provided by the recruiting manager and does not originate in HR. Spot checks will be carried out.  
Owner: Lee McNally, March 2018 |
### Section two

**Recommendations**

<table>
<thead>
<tr>
<th>No</th>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response</th>
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<tbody>
<tr>
<td>5</td>
<td>2</td>
<td><strong>Interview panel – number of interviewers</strong>&lt;br&gt;For three of 25 cases two interviewers from QMUL undertook the interview. QMUL’s policy requires at least three interviewers to attend an interview.&lt;br&gt;We recommend all staff involved in the recruitment process are reminded of the requirement to complete interviews if three interviewers. HR should also perform sample checks to confirm the guidance is being followed because QMUL is exposing itself to the risk of challenge from unsuccessful candidates if it is not following its own policies.</td>
<td>Accepted&lt;br&gt;Policy on number of interviewers to be reviewed as part of the Recruitment Policy. It is helpful to note that none of the sample were carried out by a sole interviewer.</td>
</tr>
<tr>
<td>6</td>
<td>2</td>
<td><strong>Interview training</strong>&lt;br&gt;For eight of 25 cases there is no evidence to confirm an interviewer has attended the required “Fair selection and interview” training.&lt;br&gt;QMUL staff should only be allowed to undertake interviews if they have completed the appropriate training. HR should also perform sample checks to confirm the guidance is being followed because QMUL is exposing itself to the risk of challenge from unsuccessful candidates if it is not following its own policies.</td>
<td>Accepted&lt;br&gt;Policy on need to train all panel members and what constitutes training to be reviewed as part of the Recruitment Policy.</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
<td><strong>Reporting - data generation</strong>&lt;br&gt;The HR department does not have direct access to the full reporting capabilities of the HR systems. The team has access to the employee records and limited number of system reports however in cases where further customisation of the reported data is required this is raised through an IT Systems helpdesk. The IT helpdesk then have five working days to respond meaning HR do not have access to real time data.&lt;br&gt;QMUL should explore whether members of the HR team can be trained on the system to allow them to be able run applicable reports. This will make these reports accessible on a timely basis and not required the input form the IT Systems helpdesk.</td>
<td>Accepted&lt;br&gt;We will explore this with HRIS but our understanding is that Igrasp is particularly complex and it is unlikely non-specialist HR staff would be able to interrogate the data themselves. We are looking at a similar capability for the core HR system which is believed to be less complex. &lt;br&gt;Owner: Jason Bunning, April 2018</td>
</tr>
<tr>
<td>8</td>
<td>3</td>
<td><strong>Data quality</strong>&lt;br&gt;Our review of the data provided for sample testing from the HR system, Resource Link, showed that 56 starters had not been assigned with faculty/department hierarchy.&lt;br&gt;The HR department should run monthly reports to ensure new starters have been allocated the correct faculty/department code to ensure the accuracy of system data.</td>
<td>Accepted&lt;br&gt;This is in development as part of the data quality workbooks. &lt;br&gt;Owner: Lee McNally, March 2018</td>
</tr>
</tbody>
</table>
Appendix one

Evaluation of processes and controls design

We have documented the processes and controls relating to the QMUL recruitment approach based on discussions with management and the policies & procedures in place. Our commentary has sought to document areas of good design or conversely, potential improvement. Refer to Appendix two for our testing of these controls (where appropriate).

Vacancy authorisation

<table>
<thead>
<tr>
<th>Process</th>
<th>Control</th>
<th>KPMG commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management assesses the requirement to grade a post.</td>
<td>Approval of business case or the relevant faculty/department budget.</td>
<td>✓ The approval of the business case/budget ensures vacancies are only advertised when there is a need to fill the post.</td>
</tr>
<tr>
<td>The job profile and the relevant organisational chart are attached to i-Grasp.</td>
<td>Approval from the School/Faculty to create a post. This is evidence through an approval form attached to the HR system i-Grasp.</td>
<td>✓ The job profile enables HR to correctly evaluate the grade of a post, to target and attract appropriate candidates to apply for a vacancy and to help recruiters identify the most suitable candidates during the shortlisting and selection processes.</td>
</tr>
<tr>
<td>Once all authorisers in all tiers have given approval, HR will change the post’s status to Live and publish the vacancy (place the advert). HR will confirm to the RLM/Administrator that the advert is live and the closing date.</td>
<td>5 Tier authorisation processes is embedded within the i-Gasp workflow:</td>
<td></td>
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<tr>
<td></td>
<td>• HR Administrator / School Administrator</td>
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<td></td>
<td>• Assistant HR / Partner</td>
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<td></td>
<td>• Finance / Research Grant</td>
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<td></td>
<td>• Faculty level</td>
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<td></td>
<td>• Final HR Administrator review</td>
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<tr>
<td></td>
<td>Once approved, an e-mail is sent to authorisers in the next tier until all tiers are complete</td>
<td>• There is no setting of internal expectations on how long it should take to complete the different stages of the recruitment process.</td>
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<tr>
<td></td>
<td></td>
<td>(Recommendation Two)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Through the authorisation process checks are performed on the vacancy to help ensure it is suitable and in line with employment legislation and good practice and work with you to rectify any anomalies/omissions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ The involvement of different areas of QMUL operations ensures there is sufficient overview and control in line</td>
</tr>
<tr>
<td></td>
<td>Job matching panel grades the job profile. The outcome is recorded with evidence and reasoning on the Job Matching Template form.</td>
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</tbody>
</table>

In the cases of new job profiles or significant changes in the existing job profiles. A job matching process is initiated.
Appendix one

Evaluation of processes and controls design

We have documented the processes and controls relating to the QMUL recruitment approach based on discussions with management and the policies & procedures in place. Our commentary has sought to document areas of good design or conversely, potential improvement. Refer to Appendix two for our testing of these controls (where appropriate).

Shortlisting and Interview processes

<table>
<thead>
<tr>
<th>Process</th>
<th>Control</th>
<th>KPMG commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once the closing date of the job advert has been reached, HR will change the status of all completed applications to Shortlisting.</td>
<td>At least two panel members need to shortlist the candidates, first individually and then together, to ensure there is a consensus. The people on the panel should have attended the “Fair Selection and Interview” training. Following the short-listing decision, the RLM (recruitment line manager) returns a completed Shortlist Assessment Form. This details all of the applicants’ names, how they matched the selection criteria, and the overall shortlisting decision.</td>
<td>✓ Shortlisting by trained staff aids adherence to the Trust’s policies. ✓ Shortlisting panel of at least two people consistent with industry best practice. ✓ Shortlisting forms for all candidates kept, should feedback be requested and as audit trail to support decision made.</td>
</tr>
<tr>
<td>Shortlisting panel is formed and the candidates are reviewed.</td>
<td>The interview panel should consist of at least 3 people, who have completed the “Fair selection and interview” training. After the selection process/interviews have been held, HR is notified of the panel's selection decisions, by receiving a completed Interview Record Form, containing all interview decisions, confirmed by the Panel Chair.</td>
<td>✓ Interviews lead by trained staff aid adherence to the QMUL’s policies. ✓ Interview forms for all candidates kept, should feedback be requested and as audit trail to support decision made.</td>
</tr>
<tr>
<td>After the successful candidates are identified, i-Grasp is used to set up interview slots and contact applicants inviting them to book their own interview slot.</td>
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</table>
### Shortlisting, Interview and Offer process

<table>
<thead>
<tr>
<th>Process</th>
<th>Control</th>
<th>KPMG commentary</th>
</tr>
</thead>
</table>
| **Upon receipt of the Interview Record Form HR begins making an Offer to the successful candidate(s) in i-Grasp.** | **HR will assign the authorisers to obtain approval for the offer to be issued and send emails, in automated tiered sequence, directly to authorisers.**  
**5 Tier authorisation processes is embedded within the i-Gasp workflow:**  
- HR Administrator / School Administrator  
- Assistant HR / Partner  
- Finance / Research Grant  
- Faculty level  
- Final HR Administrator review | **✓ The review ensures the following documents have been uploaded to the notes section of I-Grasp:**  
- Completed shortlisting form  
- Completed Interview Record Form  
- Copies of Proof of Eligibility to work in the UK documents, signed that the original has been seen along with any essential qualification certificates.  
**✓ Hierarchical approval which ensures correct completion of recruitment the process.**  
**✓ This vacancy is closed once talent pool has been reviewed and applications reviewed.** |
| **Once all authorisers in all tiers have given approval, HR issues the contract of employment to the successful candidate.** | **HR indicate that the process is completed by authorising the fifth tier and also updating the system showing that the position is Filled and the individual who was offered the role is Hired.** |                                                                                                           |
Summary of findings of compliance testing: Request to recruit

To test compliance with the controls regarding the request to recruit process we obtained list of all staff members recruited between 1 April 2017 and the date of our audit. The results of testing of a sample of 25 cases was:

- In one of 25 cases, a business case / budget approval could not be provided. **Recommendation Three.**
- In two of 25 cases, there is no evidence for a Tier 1 (School / HR administrator) approval of the advertised position. **Recommendation Three.**
- In four of 25 cases, there is no evidence for Tier 5 (Final HR Administrator) approval of the advertised position. **Recommendation Three.**
- For all 25 cases, we confirmed the job profile was completed before the role was advertised.
- For all 25 cases, we confirmed there was authorisation by the HR partner and the relevant faculty before the position was advertised.
- For all 25 cases, we confirmed there was evidence for Finance Department approval of the advertised position.
Appendix three

Substantive Testing

Summary of findings of compliance testing: Shortlisting and interview process

To test compliance with shortlisting and interview controls, we obtained list of all staff members recruited between 1 April 2017 and the date of our audit. The results of testing of a sample of 25 cases was:

- In two of 25 cases, a “Shortlisting form” could not be located. This also meant we could not confirm whether two QMUL staff were on the shortlisting panel. Recommendation Four and Six.
- In one of 25 cases, we could not find evidence for the completion of the interview process as the “Interview record form” has not been available for review. Recommendation Four.
- In three of 25 cases, the Interview panel only contained two QMUL staff. QMUL policy requires the panel to be attended by at least three participants. Recommendation Five.
- For eight of 25 cases we were unable to confirm whether the interviewer has attended the required “Fair selection and interview” training. Recommendation Six.

Shortlisting and interviews results summary

- In two of 25 cases, a “Shortlisting form” could not be located. This also meant we could not confirm whether two QMUL staff were on the shortlisting panel. Recommendation Four and Six.
- In one of 25 cases, we could not find evidence for the completion of the interview process as the “Interview record form” has not been available for review. Recommendation Four.
- In three of 25 cases, the Interview panel only contained two QMUL staff. QMUL policy requires the panel to be attended by at least three participants. Recommendation Five.
- For eight of 25 cases we were unable to confirm whether the interviewer has attended the required “Fair selection and interview” training. Recommendation Six.
Appendix three

Substantive Testing

Summary of findings of compliance testing: Offer and Proof of Eligibility to work in the UK

To test compliance relating to offer authorisation and proof of eligibility to work in the UK, we obtained list of all staff members recruited between 1 April 2017 and the date of our audit. The results of testing of a sample of 25 cases was:

- In two of 25 cases, there is no evidence of Tier 1 (HR Administrator) approval of the offer made to the applicant. **Recommendation Three.**
- In 13 of 25 cases, there is no evidence for Tier 2 (Assistant / HR Partner) approval of the offer made to the applicant. Ten of the identified 13 cases related to Professional Services Team where authorisation by the Assistant / HR Partner is currently not part of the process. **Recommendation Three.**
- In one of 25 cases, there is no evidence for Faculty approval of the offer made to the applicant. **Recommendation Three**
- In three of 25 cases, there is no find evidence for Tier 5 (Final HR Administrator) approval of the offer made to the applicant. **Recommendation Three**
- In 25 of 25 cases, we confirmed that Proof of Eligibility to work in the UK documentation has been reviewed as part of the process of making an offer the applicants.
Appendix four

Data collection and reporting

Data collection and performance reporting

Our review included an objective on data collection and performance reporting and in particularly in relation to QMUL’s wider equality and diversity objectives. We have confirmed the collection and reporting of in relation to recruitment is currently not in place. QMUL has not set an expectation on the duration of the recruitment process and consequently there is no monitoring of performance. QMUL should set an overall target for recruitment and also for each discreet element of the process. This will help QMUL understand whether bottlenecks or efficiencies in the process can be identified and acted upon. Recommendation Two.

There should also be a wider suite of KPIs alongside lead time and other timeliness indicators. Example KPIs that other University’s use include:

- Pipeline (i.e. roles where recruitment is in process);
- Offer acceptance rate;
- Retention rates; and
- Cost per hire.

QMUL should also consider whether it should be reporting equality and diversity recruitment data and using this to feed into the wider equality and diversity data that is reported internally and on QMUL’s website. QMUL records information on students and workforce but no data is published in relation to recruitment. Incorporating this data into the recruitment process should be relatively easy given QMUL uses an online recruitment system Lumesse i-Grasp. QMUL could report by gender, ethnicity, nationality, disability and age across QMUL and by Faculty and School. It would also be important to report by application, shortlisting and offer Recommendation One.
Appendix four

Staff involvement and documents reviewed

The following staff as part scoping and completion of the review:

<table>
<thead>
<tr>
<th>Name</th>
<th>Job title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dalia Dasgupta</td>
<td>Interim Director of Human Resources</td>
</tr>
<tr>
<td>Alastair Kelly</td>
<td>Deputy Director of Human Resources</td>
</tr>
<tr>
<td>Lee McNally</td>
<td>Head of Enabling Services</td>
</tr>
<tr>
<td>Hannah Somers</td>
<td>HR Team Leader</td>
</tr>
</tbody>
</table>

During our testing, we reviewed the following documents:

- Copies of all policies and procedures on recruitment
- A list of all staff recruited from 01/04/2017 to year to date
- Process notes for Lumesse i-Grasp
- Supporting information for employees selected for sample testing
School of Biological and Chemical Sciences

Assurance rating:

- Significant assurance
- Significant assurance with minor improvement opportunities
- Partial assurance with improvements required
- No assurance

Queen Mary University of London
Internal Audit 2017-18
—
February 2018
## Contents

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Tel: 079 1730 7842  
paul.cuttle@kpmg.co.uk

### Status of report

<table>
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<tbody>
<tr>
<td>Discussion draft issued</td>
<td>18 February 2018</td>
</tr>
<tr>
<td>Management responses received</td>
<td>23 February 2018</td>
</tr>
<tr>
<td>Final report issued</td>
<td>23 February 2018</td>
</tr>
<tr>
<td>Presented to Audit Committee</td>
<td>8 March 2018</td>
</tr>
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### Distribution

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<th>CC (for information)</th>
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<tbody>
<tr>
<td>Professor Richard Pickersgill – Head of School</td>
<td>Laura Gibbs, Chief Operating Officer Audit and Risk Committee</td>
</tr>
</tbody>
</table>

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Section one

Executive summary

Conclusion

We have reviewed the arrangements at the School of Chemistry and Biological Sciences (SCBS) for risk management, governance and budgetary control and have reached an overall assessment of **significant assurance with minor improvement opportunities** (amber-green). This rating is in line with managements forecast assurance rating and reflects the fact the governance structure and the processes and controls over risk and financial management within the School are well designed.

The SCBS governance structure defines clear roles and responsibilities for staff and key committees. Our review focused on the School Board, the School Executive Committee (SEC), and the four subcommittees (Teaching and Learning Committee, Research and Policy Committee, Graduate Studies Committee and Year Abroad Committee). For all Groups and Committees terms of reference have been agreed, contain the expected information and our testing of minutes since 1 August 2017 found they discharge their responsibilities in line with expectations.

The risk management processes established at SCBS are predominantly in line with QMUL policy and the School risk register is linked to the Queen Mary Strategy 2014-2019. There is evidence of regular review of the School risk register and key risks facing SCBS, with no exceptions identified in our detailed sampled testing. The online web portal also shows regular amendment of risks indicating risks are regularly updated. However, we note the risk register is only formally updated and discussed within the School Senior Executive Committee on an annual process rather than bi-annually as required by the QMUL Risk Management Strategy.

Financial management reports are generated by QMUL management accountants and shared with the Vice Principal, the Head of School and the Head of Administration on a monthly basis. We found that monthly reports are provided to the School and these can be reconciled to the ledger however there is no evidence to show these reports are monitored and actions implemented. While formal minuting would not be appropriate for this type of meeting it would be good practice for actions to be recorded and shared between attendees to ensure these can be followed up and subsequently monitored.

Background

Each year we undertake a review of a particular School of the QMUL to consider the budgetary control, risk management and governance arrangements in place. The School selected for 2017-18 is the School of Chemistry and Bioscience (SCBS).

Risk management arrangements have evolved and improved at QMUL over recent years. It is important for Schools to ensure that they have arrangements in place for identifying, recording and updating risks to ensure that any significant risks that could impact QMUL as a whole are escalated appropriately.

The governance arrangements are an important area to ensure that decisions made are appropriate and in line with QMUL regulations. Senior management of the School must ensure that they operate committees and structures to ensure that they support the overall aims and ambitions of QMUL and the School.

Financial performance of the QMUL has been under scrutiny over the past year and it is each of the Schools’ responsibilities to ensure they help QMUL to achieve its financial targets while ensuring sound control and probity in their financial affairs. This review will consider the processes in place to report and monitor against budgets set.

Objectives

The objectives of our review were.

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description of work undertaken</th>
</tr>
</thead>
</table>
| **Objective one**<br>Risk management | We reviewed the processes in place for managing risk within SCBS, including:  
  • How risks are identified and how the register is reviewed and updated;  
  • The speed of risk escalation and the aging of risks (i.e. how long have they been on the risk register and whether they have been addressed); and  
  • The evidence provided to support actions being taken. |
Section one

Executive summary

Objective two

Governance

We reviewed the governance structure within SCBS, undertake testing where appropriate, and ensure:
• There are terms of reference in place for key groups and committees;
• Meetings are recorded and minuted; and
• Actions are monitored and followed up when necessary.

Objective three

Financial management

We reviewed the processes in place, and undertake testing where appropriate, for budgetary control, including:
• The reporting of financial performance;
• How budgets are monitored; and
• Recording of actions to address any under-performance.

Areas of good practice

✓ The governance structure in place at SCBS is in line with the expectations set in the QMUL Charter with a well designed committee and subcommittee structure providing oversight over departmental activities and ensuring accountability to the School Board and the Head of School.

✓ SCBS uses the appropriate channels for risk identification, recording and escalation in line with the QMUL Risk Management Policy. Using the standardised risk register format available on the webapp system in the risk management process, ensures all details required by the QMUL risk management policy are considered.

✓ Our detailed testing could confirm that mitigating controls are implemented as stated on the risk register.

Areas for improvement

— We raised two low priority recommendations regarding the updating of the risk register and risk register actions and budget monitoring actions (see recommendations one and two).

Recommendations

We summarise below the recommendations raised as a result of our review:

<table>
<thead>
<tr>
<th></th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Total</th>
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<tbody>
<tr>
<td>Made</td>
<td>-</td>
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<td>2</td>
<td>2</td>
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<tr>
<td>Accepted</td>
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</tbody>
</table>

Acknowledgement

We thank the staff involved in this review who helped us complete our work.
This section summarises the recommendations that we have identified as a result of this review. We have attached a risk rating to these recommendations as per the following table:

<table>
<thead>
<tr>
<th>No.</th>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response, officer responsible and deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Risk management process</td>
<td>SCBS uses the appropriate channels for risk identification, recording and escalation in line with the QMUL Risk Management Strategy. The risk register is discussed at the Senior Executive and then formally updated on an annual basis. The QMUL policy requires risk registers are updated bi-annually and are subject to regular review. We do however note from the online risk management system change log that risks are being updated during the year by the Head of School when changes arise. We recommend the register is formally discussed at the School Executive to confirm it accuracy on a bi-annual basis. This should be completed alongside the current process of updating specific risks on the online portal as appropriate.</td>
<td>Accepted</td>
</tr>
<tr>
<td>2</td>
<td>SCBS Risk Registers</td>
<td>We reviewed the School risk register and sampled six risks to ensure control activities were operating as stated and were documented in a way that is SMART (i.e. specific, measurable, agreed-upon, reasonable and time bound). We noted that while control activities are ongoing as documented on the School risk register, some actions identified are not SMART (in these instances not defining timescales for completion and metrics for measurement). The School should ensure that the information relating to each risk is complete and that when control activities are documented that they are SMART.</td>
<td>Accepted</td>
</tr>
</tbody>
</table>
Design of risk management processes

Risk management is fundamental to good management practice and a significant aspect of corporate governance. Managing risk effectively therefore provides an essential contribution to achieving QMUL’s strategic and operational objectives.

Over recent years, risk management arrangements have evolved and improved at QMUL. Per the QMUL Risk Management Policy Heads of School are responsible for identifying and managing risk and controls within their area of responsibility. Schools are expected to have robust risk management processes in place to ensure risks are identified, recorded, updated and reviewed and any significant risks, which could impact QMUL as a whole are escalated appropriately.

Below we have documented our understanding of the risk management and reporting structures at SCBS based on discussions with School senior management. We have reviewed the processes in place to assess whether these are in line with the QMUL risk management policy and best practice.

<table>
<thead>
<tr>
<th>Risk management at SCBS</th>
<th>KPMG Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>The SCBS risk register is a live document kept centrally on the University intranet (web app).</td>
<td>✓ As the risk register is held on an online portal it means the format is consistent with all other School risk registers.</td>
</tr>
<tr>
<td>Editing rights are restricted to the Head of School and the Head of Administration, with viewing rights held by operating and executive officers of the Faculty of Humanities and Social Sciences (HSS), the VP, and QMUL Strategic Planning Office staff.</td>
<td>✓ The risk register can be viewed by Faculty executive officers and the Strategic Risk Management Group at any time for review.</td>
</tr>
<tr>
<td>A risk register download is reviewed annually by the SCBS Executive Committee, with the aim to update existing risks and to identify any new risks to achieving strategic and operational objectives.</td>
<td>▪ QMUL policy requires that risk registers are updated bi-annually and are subject to regular review. While quarterly updates had been planned at SCBS, the risk register is currently only updated annually. We do however note from the online risk management system change log that risks are being updated during the year by the Head of School when changes arise. (Recommendation one).</td>
</tr>
<tr>
<td>The risk register is updated annually by the HoS and School Manager after review by the SCBS Executive Committee.</td>
<td></td>
</tr>
<tr>
<td>Submission of the updated risk register to the Faculty is not required, as Faculty staff have access to review.</td>
<td></td>
</tr>
</tbody>
</table>
Appendix one

Risk management procedures

School risk register sample testing

We obtained the most recently updated SCBS risk register and considered whether it correctly included the following key areas:

<table>
<thead>
<tr>
<th>Key areas of Risk Register</th>
<th>KPMG commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique risk reference</td>
<td>✔ All risks are numbered.</td>
</tr>
<tr>
<td>Risk date</td>
<td>✔ The date of each risk register is included on the SRR.</td>
</tr>
<tr>
<td>Statement of risk</td>
<td>✔ Risk are set out with regard to the cause, risk and consequence.</td>
</tr>
<tr>
<td>Primary Goal Impacted</td>
<td>✔ All risks state which strategic area they relate to and state which numerical strategic objective they relate to.</td>
</tr>
<tr>
<td>Risk type</td>
<td>✔ Each risk is grouped under the strategic heading.</td>
</tr>
<tr>
<td>Current controls</td>
<td>✔ All risks have current controls outlined in the risk register.</td>
</tr>
<tr>
<td>Owner</td>
<td>✔ All risks have an owner assigned in the risk register.</td>
</tr>
<tr>
<td>Updater</td>
<td>✔ All risks have an owner assigned in the form of ‘lead officer’ on the risk register.</td>
</tr>
<tr>
<td>Overall rating</td>
<td>✔ All risks have an initial and residual risk score.</td>
</tr>
<tr>
<td>Change</td>
<td>✔ All risks have change indicated through the ‘Direction of travel’ column, which uses arrows to indicate whether the risk position is improving, worsening or unchanged.</td>
</tr>
<tr>
<td>Previous rating (overall)</td>
<td>✔ All previous risk rating scores are included in the cells to the right of the register. The date of the previous register plus each risk’s gross and net score is listed.</td>
</tr>
<tr>
<td>Planned mitigating actions</td>
<td>✔ All risks have planned mitigating actions outlined in the risk register.</td>
</tr>
</tbody>
</table>
|                           | • We noted that while control activities are ongoing as documented on the School risk register, some actions identified are not SMART (in these instances not defining timescales for completion and metrics for measurement). Recommendation two.
| Commentary                | ✔ There is a further action and notes column which provide background on what further work is proposed. |
| Residual risk             | ✔ All residual risks are lower than their current risk, which suggests that mitigating actions are expected to be successful. |

We selected a sample of five risks from the register and sought evidence to confirm that mitigating actions have been taken as documented, that the information is correct and that risks are escalated in a timely manner.

<table>
<thead>
<tr>
<th>Ref: risk</th>
<th>Actions taken as per risk register</th>
<th>KPMG Commentary</th>
</tr>
</thead>
</table>
| Annual budget setting and Financial reporting is not fit for purpose for planning at any timescale | • Monthly meetings between School Manager, HoS and B. Management Accounts to review budget.  
• Weekly meetings with School Manager and School Finance Manager to discuss budget issues.  
• School Finance Manager, School Manager and HoS set consumables targets for each budget code at the beginning of the financial year.  
• HoS and School Manager at least monthly reviewing progress to surplus requirement. | ✔ Monthly meetings are occurring and documentation through annotated cash flows.  
✔ Weekly meetings have been evidenced by minutes and action reports.  
✔ Consumables target for individual budget controls provided. Evidence of budget setting, but not formal documentation of management.  
✔ Comparison of the current and previous years’ budget performance used to inform discussions. |
## Appendix one

### Risk management procedures

<table>
<thead>
<tr>
<th>Ref: risk</th>
<th>Actions taken as per risk register</th>
<th>KPMG Commentary</th>
</tr>
</thead>
</table>
| Failure to recruit the target number of undergraduate or post graduate taught students or a failure to recruit quality (high tariff) students | • Four academic staff have been given formal roles for outreach activities.  
• Improved programme marketing and open day format.  
• Excellence scholarships for AAA students.  
• Increase in entrance requirements.  
• MSc Portfolio reviewed annually  
• MSc Programme Directors meet regularly with marketing and comms  
• Web Officer maintains and renews web and social media presence | ✓ Time allocation schedule supplied to show evidence of role.  
✓ Feedback from Open Day was been provided. Schedule of open day amendments related to feedback provided.  
✓ Science and Excellence scholarships advertised on website.  
✓ Proposal for increasing entry requirements provided for review.  
✓ Annual programme review provided for review. |
| Failure to grow research postgraduate student population | • Horizon scanning for opportunities around the world on an ad hoc basis  
• Engage with DTPs, two members of academic staff on DTP management boards  
• Develop and maintain eligible local and regional contacts to ensure further engagement with DTPs and similar ventures  
• Academic staff have performance targets for PhD submissions reviewed annually. | ✓ The Research Services Office who administers PhD activities emails opportunities to Academics. Example emails provided for review.  
✓ Meetings of board provided.  
✓ SBCS now have fully or partially funded PhD studentships with a large range of organisations.  
✓ Academic PhD panels complete a form and have to show that the student is online to complete within 4 years. An example of a probation form has been provided. This shows that the PhD student progression is discussed and reviewed each year. |
Appendix two

Governance framework

Governance structure

The governance arrangements are an important area to ensure that decisions made are appropriate and in line with QMUL regulations. SCBS senior management must ensure that they operate committees and structures, which will support the achievement of the overall aims and ambitions of QMUL and the School. We have summarized below the overall committee and corporate structure of SCBS.

Chart 1.1 – SCBS governance structure

Findings

The governance structure in place at SCBS is in line with the expectations set in the QMUL Charter (Part A: The Organisation of the University). The committee structure is in line with QMUL expectations on school/institute governance (including a Teaching and Learning Committee and Research Strategy Committee), while at the same time being well tailored to the School’s specific requirements.
Appendix two

Governance framework

Terms of reference

We obtained and reviewed the terms of reference for the School Board, Senior Executive Committee and the four subcommittees at SCBS to ensure that they were in place, up to date and in line with the QMUL charter i.e. They include stating the board/committee’s purpose, membership, meeting frequency, quorum and the groups/individuals to which the committee reports and of which it has oversight.

<table>
<thead>
<tr>
<th>Committee</th>
<th>Terms of Reference</th>
<th>Purpose</th>
<th>Membership</th>
<th>Meeting frequency</th>
<th>Quorum</th>
<th>Reporting</th>
<th>Oversight of</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEC</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>RSG</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>TLC</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>HSG</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>SSLC</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>EB</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

Findings

✔ Terms of reference have been developed for all of the the SCBS Board and the Senior Executive Committee, as well as all subcommittees, the student-staff liaison committees and departmental meetings.

Key committee minutes

For all of the committees and groups sampled above we obtained minutes from the start of the 2017/18 period to January 2018. We have confirmed:

✔ All committees told place in accordance with the frequency set out in the ToR.
✔ The meetings were quorate.
✔ Minutes and papers were distributed in advance of the SEC and SCBS Board (the other committees are not formally minuted).
✔ In line with best practice minutes and papers have been distributed in advance of the SEC and SCBS Board.
Appendix three

Financial management

Financial reporting and budget monitoring

Another key element to good governance is robust financial management and reporting. We have therefore reviewed the processes around budget setting and monitoring at SCBS and provided commentary on the design.

Financial management processes

The budget setting process for the subsequent reporting period is driven by the Finance Team, but involves the SCBS HoS and School Manager.

Finance produces monthly statements that compare actual performance to the budget for the month and year to date.

These budget reports are presented at a monthly meeting.

Financial performance is also reviewed on an ad hoc basis at informal meetings between the HoS and the SCBS School Manager.

The HoS provides regular updates to the SCBS Board and SEC on financial performance and improvement efforts.

KPMG Commentary

- Monthly budget reporting are provide to the School to monitor income and expenditure.
- Monthly review of financial performance by the HoS and School Manager so mitigating action can be agreed and implemented on a timely basis.
- The internal finance meeting and meeting with finance are not minuted as they are largely for discussing issues informally. The meeting with the faculty do include the recording of actions should these arise.

Review of monthly reports

We have obtained the School finance reports for months 2, 5 and 12 of 2016/17 and have confirmed the following:

- The reports are clearly structured showing budgeted and actual financial performance together with variances, both for the reporting period and for the year to date. Short commentary is added to highlight areas of underperformance.
- We agreed the reports to the general ledger to confirm the information reported is accurate.
- When actions arise following discussions with the faculty these are formally recorded.
Appendix four

Staff involvement and documents reviewed

We held discussions with the following staff as part of the review:

<table>
<thead>
<tr>
<th>Name</th>
<th>Job title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor Richard Pickersgill</td>
<td>Head of School</td>
</tr>
<tr>
<td>Fiona Marsh</td>
<td>School Manager</td>
</tr>
<tr>
<td>Catherine Murray</td>
<td>Executive Assistant</td>
</tr>
</tbody>
</table>

During our testing, we reviewed the following documents:

- School risk register
- Terms of reference for four subcommittees, the Senior Executive Group and the School Board
- Meeting minutes for Periods 1-5 for four subcommittees, the Senior Executive Group and the School Board
- Meeting papers and agendas minutes for Periods 1-5 for the Senior Executive Group and the School Board
- School Finance Reports for the year to January 2017
- QMUL Charter
- QMUL 2014-2019 Strategy
- QMUL Risk Management Policy
- Health & Safety Audit Report (September 2016)
- Planning & Accountability Review Strategy
- SCBS Planning & Accountability Review KPI Performance
- Terms of Reference for Working Group on Future Direction of SCBS
- Estates Strategy 2011-2020: Performance Review
- SCBS expenditure log
Student housing: Compliance with UUK code of practice

Assurance rating:

- Significant assurance
- Significant assurance with minor improvement opportunities
- Partial assurance with improvements required
- No assurance

Queen Mary University of London
Internal Audit 2017-18
February 2018
Contents

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1. Executive summary

Appendices

1. Student housing compliance results
2. Deposit returns
3. Staff involved and documents reviewed

Status of report

- Discussion draft issued: 6 February 2018
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- Final report issued: 20 February 2018
- Presented to Audit Committee: 8 March 2018

Distribution

To (for action):  
- Steven Exley, Assistant Director Estates and Facilities
  CC (for information):
- Mike Sheppard, Director of Estates and Facilities
- Laura Gibbs, Chief Operating Officer
- Audit and Risk Committee

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Executive summary

Conclusion

We have reviewed the processes in place at Queen Mary University of London (QMUL) to ensure compliance with three of the seven areas (standards five, six and seven) within the Universities UK (UUK) Code of Practice for the Management of Student Housing (the Code). Our rating of ‘significant assurance’ (green) is line with management's anticipated assurance level. Our review of areas two to four in 2016/17 provided a ‘significant assurance with minor improvements opportunities’ (amber-green).

QMUL’s Residents’ Handbook is a comprehensive document containing all required information to ensure compliance with the Code. Any requirements not covered by the Residents’ Handbook are detailed on the student residences website, giving students all necessary information for student accommodation.

Our testing of compliance in returning student deposits within 28 days did find four exceptions in our sample of 25. We have not raised a recommendation as we note from this year onwards QMUL will be deducting deposits from students’ final term residential fee invoice and the deadline will therefore be met. QMUL’s rationale is the administration of refunding deposits is time consuming, that deposits are nearly always returned and it is more cost effective to subsequently chase those students who have caused damage.

Background

In February 2006 University UK (UUK) and the Standing Conference of Principals (SCOP) released a Code of Practice for the Management of Student Housing (the Code). The Code outlines best practice and provides benchmarks for the management and quality of student housing in the sector. In addition, it is intended to serve as the approved code of practice for HE “managed and controlled” accommodation under the Housing Act 2004. In November 2010, parliament approved a revised version of the code which came into force in that month. The Code covers the following six areas: Health and wellbeing, Maintenance and repair regimes, Environmental quality, Landlord and tenant relationship, Student welfare and Anti-social behaviour and disciplinary procedures plus some general requirements.

QMUL has formally adopted the Code, and as such it is a requirement that management of student accommodation be reviewed as part of the annual internal audit plan. It is a mandatory requirement for QMUL to provide summary information to the UUK/SCOP Code Managing Committee, including the relevant sections of auditors’ reports, management’s response and the timescale for addressing auditors’ recommendations.

We have previously agreed with management that we would take cyclical approach to this review ensuring coverage of the UUK code over a two year period. The previous review of this area was in 2016/17 and covered three of the six areas: Health and Safety Procedures/Maintenance and Repair Regimes/Environmental Quality. We raised three medium priority and one low priority recommendation and reached a amber-green assurance rating. For our review in 2017/18 we will consider the remaining three areas of the Code : Anti social behaviour and disciplinary procedures/Landlord and tenant relationship/Student welfare.

Objectives

The objective of our review was:

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description of work undertaken</th>
</tr>
</thead>
</table>
| Monitoring processes in place to comply with the UUK Code of Practice | We considered the monitoring arrangements in place to identify how QMUL complies with the UUK Code of Practice. This review covered the processes in the following areas:  
  - Anti social behaviour and disciplinary procedures;  
  - Landlord and tenant relationship; and  
  - Student welfare.  
  Our review included visits to three halls of residence to confirm the Code is being applied across QMUL’s student accommodation. |
Areas of good practice

- QMUL is compliant with all the essential requirements from the UUK Code of Practice for Student Housing and with the majority of desirable requirements.
- The existence of the code is clearly advertised to students in a number of ways. It was prominently displayed on the student residences website and reference is given to it in the introduction of the Residents’ Handbook.
- Laundry facilities are in good working condition, with instructions fault reporting and emergency procedures clearly visible.
- Students are advised of cleaning schedules, including areas that are to be cleaned, the frequency of cleaning and the student responsibility for cleaning of certain facilities.

Recommendations

There are no recommendation arising from our review.

Acknowledgement

We thank the staff involved in this review who helped us complete our work.
## Appendix one

### Student housing compliance results

Below we have set of the areas of the code tested as part of our review and whether QMUL was compliant with each of the requirements.

<table>
<thead>
<tr>
<th>#</th>
<th>Essential/Desirable</th>
<th>Checklist requirement</th>
<th>Evidence</th>
<th>Compliant</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>Essential</td>
<td>H/FEEs must have a clear and coherent statement in place outlining the relationship between the H/FEE, as landlord, and the student, as tenants or licensees.</td>
<td>Provided within the 2017-18 Accommodation Licence Agreement</td>
<td>✓</td>
</tr>
<tr>
<td>5.2</td>
<td>Essential</td>
<td>A written contract must exist between the H/FEE and the student for the provision of residential accommodation, prior to the commencement of the tenancy. This must be provided by the H/FEE and include reference to any contractual terms and responsibilities of both the H/FEE and the student. The H/FEE must provide the student with a copy of this residential contract.</td>
<td>Provided within the 2017-18 Accommodation Licence Agreement</td>
<td>✓</td>
</tr>
<tr>
<td>5.3</td>
<td>Essential</td>
<td>The terms of any contractual relationship and information on the respective roles and responsibilities of the H/FEE and the student must be made available to all prospective residents in advance of students entering into a contractual relationship for residential accommodation.</td>
<td>Provided within the 2017-18 Accommodation Licence Agreement</td>
<td>✓</td>
</tr>
<tr>
<td>5.4</td>
<td>Desirable</td>
<td>Establishments should return deposits held within 28 days of the end of the tenancy</td>
<td>See testing overleaf</td>
<td>✓ (partially)</td>
</tr>
<tr>
<td>5.5</td>
<td>Essential</td>
<td><strong>The H/FEE must make available the following information:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.5.1</td>
<td>Essential</td>
<td>Students must be advised of cleaning schedules. These must include which areas are cleaned, the frequency of cleaning and any student responsibility for cleaning of facilities in accordance with a service level statement, if applicable. All rooms must be prepared for the start of occupancy in a clean and habitable way.</td>
<td>Tested on location at three halls – sample sites met requirements.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.2</td>
<td>Essential</td>
<td>Laundry facilities, where provided, must be maintained in good working condition. Instructions, including fault reporting and emergency procedures, must be made available.</td>
<td>Requirements met for laundry sites on Mile End Campus.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.3</td>
<td>Desirable</td>
<td>The relevant procedures for application and allocation of residential accommodation including any application eligibility criteria.</td>
<td>Information available on QMUL’s website.</td>
<td>✓</td>
</tr>
</tbody>
</table>
## Student housing compliance results

<table>
<thead>
<tr>
<th>#</th>
<th>Essential/Desirable</th>
<th>Checklist requirement</th>
<th>Evidence</th>
<th>Compliant</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.5.4</td>
<td>Desirable</td>
<td>The total number of rooms available, by type (i.e. single, ensuite, self-catering)</td>
<td>Information available on QMUL’s website.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.5</td>
<td>Desirable</td>
<td>The fees and charges for each type of available accommodation</td>
<td>Information available on QMUL’s website.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.6</td>
<td>Desirable</td>
<td>The length of the contract period for each room type.</td>
<td>Information available on QMUL’s website.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.7</td>
<td>Desirable</td>
<td>Availability, if any, of parking facilities and cycle storage</td>
<td>Details of parking facilities and cycle storage is outlined in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.8</td>
<td>Desirable</td>
<td>Payment schedules and options for payment, including any additional costs that may be incurred by a resident (e.g. late payment charges, debt pursuance charges, debt arrears penalties) and any discounts that may be available and the terms under which these are offered.</td>
<td>Detailed within the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.9</td>
<td>Desirable</td>
<td>Damage deposits / caution fees: how any scheme operated by the H/FEE is administered and specifically: how much is to be paid, what the money is to be used for, and when/how balances are to be returned</td>
<td>Outlined within the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.10</td>
<td>Desirable</td>
<td>The terms under which a student or H/FEE is able to terminate or cancel a residential contract</td>
<td>Included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.11</td>
<td>Desirable</td>
<td>The procedure for lodging a complaint about the residential accommodation or management of the property, or ancillary services provided by an H/FEE.</td>
<td>Procedure for complaints is included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.12</td>
<td>Desirable</td>
<td>Information concerning management’s right of access to study bedrooms.</td>
<td>Information is included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.13</td>
<td>Desirable</td>
<td>Service level statements (SLSs) or equivalent: should set out schedules and response times for any services which are required in each establishment.</td>
<td>Information is included in the Residents’ Handbook</td>
<td>✓</td>
</tr>
<tr>
<td>5.5.14</td>
<td>Desirable</td>
<td>The procedure for reporting a defect or requesting maintenance: including who to contact.</td>
<td>Included in the Residents’ Handbook</td>
<td>✓</td>
</tr>
<tr>
<td>5.6</td>
<td>Essential</td>
<td>Arrangements for access in the event of lost keys etc. must be set out in the students’ welcome pack or equivalent.</td>
<td>Arrangements for access in the event of lost keys etc. is detailed in the Resident’s Handbook.</td>
<td>✓</td>
</tr>
</tbody>
</table>
### Appendix one

#### Student housing compliance results

<table>
<thead>
<tr>
<th>#</th>
<th>Essential/Desirable</th>
<th>Checklist requirement</th>
<th>Evidence</th>
<th>Compliant</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.7</td>
<td>Essential</td>
<td>H/FEEs must hold an induction briefing, and/or provide relevant information to students by way of literature or other e-induction processes at the beginning of occupation. This must advise students that their accommodation is covered by this code. It should also include specific advice on issues such as health, safety (e.g. fire evacuation procedures) welfare matters, conduct and behaviour and guidance on communal living.</td>
<td>Relevant information is provided via the Induction pack provided by QMUL for students at the beginning of occupation of residences.</td>
<td>✓</td>
</tr>
<tr>
<td>5.8</td>
<td>Essential</td>
<td>At the commencement of occupancy, H/FEEs must provide students with relevant contact details of duty officers / wardens / security staff, student representatives, etc. and also, as appropriate, any central accommodation office, maintenance office or halls office.</td>
<td>Information is provided within the Induction pack and the Handbook, displaying all relevant contact details and the location of key offices.</td>
<td>✓</td>
</tr>
<tr>
<td>5.9</td>
<td>Essential</td>
<td>H/FEEs must provide a statement outlining the extent of their own insurance liabilities in respect of a student’s belongings and personal items.</td>
<td>Statement states there is basic insurance cover, which is provided by Endsleigh Insurance. A link that has details of the cover is provided. This is all included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>6.1</td>
<td>Essential</td>
<td>H/FEEs must provide information to students in respect of its provision of welfare support, financial advice and counselling services, particularly to the provision of accommodation. The information may also include reference to services provided by the students union.</td>
<td>Information with respect to the provision of welfare support, financial advice and counselling services are included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>6.2</td>
<td>Essential</td>
<td>H/FEEs must ensure that residents have information on and access to out of hours emergency support including contact details and procedures to follow.</td>
<td>Included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>6.3</td>
<td>Essential</td>
<td>H/FEEs must encourage registration with the local health service or a local GP or, where these exist, with their own medical services.</td>
<td>Included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>7.1</td>
<td>Essential</td>
<td>The H/FEE must demonstrate procedures to minimise and deal with any anti-social behaviour by tenants or their visitors.</td>
<td>Included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
</tbody>
</table>
## Appendix one

### Student housing compliance results

<table>
<thead>
<tr>
<th>#</th>
<th>Essential/Desirable</th>
<th>Checklist requirement</th>
<th>Evidence</th>
<th>Compliant</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.2</td>
<td>Desirable</td>
<td>The H/FEE should encourage residents to act in a fit and proper manner at all times, treat both property and neighbours - fellow students, staff and members of the local community – with due respect, regard and consideration.</td>
<td>Included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
<tr>
<td>7.3</td>
<td>Essential</td>
<td>The H/FEE must make residents aware of the H/FEE’s code of behaviour and disciplinary procedures, and how it deals with any inappropriate conduct of behaviour.</td>
<td>Details of QMUL’s Code of Student Discipline is included in the Residents’ Handbook.</td>
<td>✓</td>
</tr>
</tbody>
</table>
Appendix two

Deposit returns

Summary of findings of compliance testing: Deposit returns

In order to determine whether QMUL is compliant with the desirable requirement to return deposits held within 28 days of the end of the tenancy, we obtained a list of all deposits from the 2016-17 financial year. We agreed a sample of deposits to the dates they were refunded to determine compliance with the requirement. Below we summarise our findings:

Evidence of refund

<table>
<thead>
<tr>
<th>Refund within 28 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
</tr>
<tr>
<td>Pass</td>
</tr>
</tbody>
</table>

We have not raised a recommendation as we note from this year onwards QMUL will be deducting deposits from students’ final term residential fee invoice and the deadline will therefore be met. QMUL’s rationale is the administration of refunding deposits is time consuming, that deposits are nearly always returned and it is more cost effective to subsequently chase those students who have caused damage.

Deposit returns compliance testing results summary

- In all 25 cases evidence of the refund was provided.
- In 21/25 cases deposits were refunded to tenants within 28 days of the end of the tenancy.
  - In 2/25 cases deposits were not refunded to tenants within the desired timeframe of 28 days. One of these was a student that left early but the payment was made as if they left at the end of the term. For the other, the student had the deposit return delayed while potential damage was investigated.
  - In 2/25 cases were n/a as the deposit were returned to Study Abroad agents and not student, as the agent pays the deposit on behalf of the student. Therefore the timing of the refund does not impact the student. Agents usually pay by cheque and require a refund by cheque, which delays the refund process beyond 28 days.

We have not raised a recommendation as we note from this year onwards QMUL will be deducting deposits from students’ final term residential fee invoice and the deadline will therefore be met. QMUL’s rationale is the administration of refunding deposits is time consuming, that deposits are nearly always returned and it is more cost effective to subsequently chase those students who have caused damage.
Appendix three

Staff involvement and documents reviewed

We held discussions with the following staff as part of the scoping and fieldwork of the review:

<table>
<thead>
<tr>
<th>Name</th>
<th>Job title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mike Sheppard</td>
<td>Director of Estates and Facilities</td>
</tr>
<tr>
<td>Steven Exley</td>
<td>Assistant Director Estates and Facilities</td>
</tr>
<tr>
<td>Barbara Ashcroft</td>
<td>Head of Housing Services</td>
</tr>
<tr>
<td>Eileen McCluskey</td>
<td>Residences Finance Manager</td>
</tr>
</tbody>
</table>

During our testing, we reviewed the following documents:

- Residents’ Handbook
- Residences website
- Student induction briefing
- 2017-18 Licence Agreement
- Listing of Student Deposit Refunds
### Internal Audit Recommendation Tracker

<table>
<thead>
<tr>
<th><strong>Outcome requested</strong></th>
<th>Audit and Risk Committee is asked to note progress with the internal audit recommendations.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive Summary</strong></td>
<td>15 new recommendations (one high, nine medium and five low priority) have been raised from the four internal audit reports completed since the last Audit and Risk Committee meeting. QMUL has cleared 11 recommendations since the last meeting. There are two medium priority recommendation which have not been implemented and management has amended the implementation date. Details of these are shown on pages 3-4.</td>
</tr>
<tr>
<td><strong>QMUL Strategy:</strong></td>
<td>Internal audit supports all areas of the strategic plan.</td>
</tr>
<tr>
<td><strong>Strategic Risks:</strong></td>
<td>Internal audit considers all risk areas.</td>
</tr>
<tr>
<td><strong>Subject to prior and onward consideration by:</strong></td>
<td>QMSE 27 February 2018</td>
</tr>
<tr>
<td><strong>Confidential paper under FOIA/DPA:</strong></td>
<td>No</td>
</tr>
<tr>
<td><strong>Equality Impact Assessment:</strong></td>
<td>Not required</td>
</tr>
<tr>
<td><strong>Timing:</strong></td>
<td>Regular report to Audit and Risk Committee</td>
</tr>
<tr>
<td><strong>Author:</strong></td>
<td>Paul Cuttle, KPMG</td>
</tr>
<tr>
<td><strong>Date:</strong></td>
<td>23 February 2018</td>
</tr>
<tr>
<td><strong>Senior Management/External Sponsor</strong></td>
<td>Laura Gibbs, Chief Operating Officer</td>
</tr>
</tbody>
</table>
Internal audit recommendation tracking

Queen Mary University of London

Internal Audit 2017/18

—

February 2018
Recommendation implementation

This report summarises the current status of all internal audit recommendations. We have shown below the progress being made by QMUL to implement recommendations as at 23 February 2018.

**Commentary**

15 new recommendations (one high, nine medium and five low priority) have been raised from the four internal audit reports completed since the last Audit and Risk Committee.

QMUL has cleared 11 recommendations since the Audit and Risk Committee.

There are two medium priority recommendation which have not been implemented and management has amended the implementation date. Details of these are shown overleaf.
## Recommendation implementation

### Recommendation with revised implementation date (and where due date has previously been changed)

<table>
<thead>
<tr>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response/last update</th>
<th>Status as February 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMD partnership report (2012/13)</td>
<td><strong>Partner payments for placement students</strong>&lt;br&gt;Whilst we confirmed that the College was prepared to withdraw funding from the Health Service Bodies (including BHT) in the event that standards fell, we could not identify a specific framework against which providers were assessed. There is a risk that if student numbers were withdrawn from a provider, the deemed lack of transparency over the process could lead to tensions in the partnerships. A formalised framework for assessing suppliers could also reduce the risks of conflicts of interest arising in decisions on partner placement numbers arising from the number of staff that hold joint roles within the SMD and BHT.&lt;br&gt;It is recommended that:&lt;br&gt;- The SMD define standards expected of the Health Service Bodies in receipt of funding for supporting placement students under the Service Increment For Teaching (SIFT) arrangement and benchmark the performance of the difference partners against these criteria.&lt;br&gt;- The SMD inform partners on a timely basis where they are under-performing against the criteria and ultimately use performance as a determinant for allocations</td>
<td>Update January 2017: The SLA has been sent out to Trusts and we await the return of signed agreements. A revised clause has been agreed with one organisation and another has raised late queries and these are being worked through.&lt;br&gt;The SLA has been signed with Barts. The SLA with BHR is expected to be signed imminently. Revised target date: 31 May 2018</td>
<td>Anthony Warrens</td>
</tr>
</tbody>
</table>
Recommendation implementation

<table>
<thead>
<tr>
<th>Risk</th>
<th>Recommendation</th>
<th>Management response/last update</th>
<th>Status as February 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital projects 2016/17</td>
<td><strong>Project Process</strong>&lt;br&gt;We note QMUL uses both its own internal process (Gateway process) and also the external RIBA Plan of Work as a methodology for managing capital projects. The two methodologies differ in the type of information and stages required. The RIBA process is much more detailed in what should be included at each reporting stage while the governance structure approval process is aligned to the Gateway process. The variation between methodologies creates a number of risks: the reporting of progress of projects is more difficult when comparisons are not always like for like, it is more difficult for projects to be picked up when staff leave or are unavailable (i.e. sickness absence) and lessons learnt cannot be easily identified or applied to new projects using different methodologies. Should QMUL wish to continue to have the option of using more than one project methodology (i.e. using RIBA in addition to the internal Gateway process) it should define the circumstances in which it expects each one to be applied and ensure there is clear direction and guidance on how the RIBA process aligns to existing governance framework. Alternatively, it could consider how to incorporate more elements of the RIBA process in the existing Gateway process. This will ensure different projects can be compared and all stakeholders are clear of the slightly different reporting and milestone tracking that derive from the two processes.</td>
<td>Initial response&lt;br&gt;It should be noted that gateway 0 – 2 align with RIBA Plan of Work Stages 0 -2 although the content of the papers could be updated to fully match the outcomes of RIBA Stages. Gateway 3 (Construction Decision) is subject to the approved procurement strategy and depending on a Traditional, Single or 2 Stage procurement route could be issued at either RIBA Stage 3 or 4. Gateway 3 covers approval for RIBA Plan of Works Stages 3 – 6 (refer to the attachment for the detail).&lt;br&gt;Actions: Capital Projects will undertake a review of the current Gateway Papers (0 – 3). Following the review of existing Gateway Papers (0 – 3) where identified QMUL Estates &amp; Facilities (Capital Projects) will liaise with relevant stakeholders before tabling any recommendations to the Estates Strategy Board (ESB). Amending the Capital Projects Governance reporting process will require ESB approval. Therefore it is proposed to aim for September 2017 for any implementation of re-aligned Gateway Papers with the RIBA Plan of Works.</td>
<td>A paper went to QMSE in late February setting out proposed changes. A further co-ordinated paper setting out overall Governance of Major Capital Projects is to be completed. The target for this is end of April 2018.&lt;br&gt;Director of Estates, Facilities and Capital Development</td>
</tr>
</tbody>
</table>
The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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Create Graphics: CRT061161A
# External audit plan for the financial year ending 31 July 2018

<table>
<thead>
<tr>
<th>Outcome requested:</th>
<th>Audit and Risk Committee is asked to <strong>approve</strong> the attached external audit plan.</th>
</tr>
</thead>
</table>
| **Executive Summary:** | (i) The attached report from the External Auditors sets out their audit plan for the financial year ending 31 July 2018.  
(ii) Jonathan Gooding has transitioned into the role of Audit Engagement Lead for the university from Sue Barratt for the 2018 year-end audit.  
(iii) An increased materiality limit is proposed at 2% of revenue or £8.5m (increased from 1.5% or £6m for year-end 2017). The impact of this increase in materiality would include raising the threshold for audit adjustments reported to the Committee from £0.2m to £0.4m. This is referred to as the clearly trivial misstatements threshold. See page 7 of the report for more information.  
(iv) As in previous years the External Auditors have identified significant risks in relation to research grant income recognition, management override of controls, and accounting for capital expenditure, which are common with most universities.  
(v) The fees for 2018 are £129,350 excluding VAT. The 2017 fee has been adjusted by CPI in order to determine the 2018 fee. The fees remain under discussion at the date of issue of this report. |
| QMUL Strategy: | External audit supports all areas of the strategic plan. |
| Internal/External regulatory/statutory reference points: | External audit is conducted in accordance with:  
- International Standards on Auditing (UK and Ireland)  
- FRS102  
- Higher Education SORP |
<p>| Strategic Risks: | External audit considers all risk areas. |
| Equality Impact Assessment: | Not required |
| Subject to prior and onward consideration by: | QMSE on 20 February 2018 |
| Confidential paper: | Yes |
| Timing: | The outcome of the audit will be reported in autumn 2018. |
| Author: | Deloitte LLP |</p>
<table>
<thead>
<tr>
<th>Date:</th>
<th>15 February 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Senior Management/External Sponsor</strong></td>
<td><strong>Joanne Jones, Finance Director</strong></td>
</tr>
</tbody>
</table>
Queen Mary University of London
Planning report to the Audit and Risk Committee on the audit for the year ended 31 July 2018

Issued: 15 February 2018
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### 02 Appendices

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</tr>
</tbody>
</table>
Introduction

The key messages in this report:

We have pleasure in presenting our planning report to the Audit and Risk Committee for the 2018 audit. I would like to draw your attention to the key messages of this paper:

**Introduction of our new audit lead**
Jonathan Gooding has transitioned into the role of Audit Engagement Lead for the University from Sue Barratt for the 2017/18 year-end audit. Jonathan will be responsible for our audit service to you; leading our audit team, making all of our key decisions and providing our opinion to you. He will be the primary point of contact for Jo Jones, the Audit and Risk Committee and the Council. He will attend your Audit and Risk Committee meetings, key management meetings, and Council meetings (when required).

Jonathan has over 16 years external audit experience and is highly experienced in auditing Higher Education institutions.

**Key areas of focus for the audit**
Consistent with those areas that we reported on through the conclusion of our 2016/17 audit, we have identified the following significant audit risks which will be key areas of focus for the 2017/18 audit:

- The recognition of grant research income;
- The appropriate capitalisation of expenditure; and
- Management override of controls.

**Changes in the regulatory environment**
There are no significant changes to accounting requirements which are expected to impact on the FY2018 accounts. We have provided information on future accounting and corporate developments which is set out on page 18 onwards.
Responsibilities of the Audit and Risk Committee
Helping you fulfil your responsibilities

The primary purpose of the Auditor’s interaction with the Audit and Risk Committee:

• Clearly communicate the planned scope of the financial statements audit

• Provide timely observations arising from the audit that are significant and relevant to the Audit and Risk Committee’s responsibility to oversee the financial reporting process

• In addition, we seek to provide the Audit and Risk Committee with additional information to help them fulfil their broader responsibilities

As a result of regulatory change in recent years, the role of the Audit and Risk Committee has significantly expanded. We set out here a summary of the core areas of Audit and Risk Committee responsibility to provide a reference in respect of these broader responsibilities and highlight throughout the document where there is key information which helps the Audit and Risk Committee in fulfilling its remit.

- At the start of each annual audit cycle, ensure that the scope of the external audit is appropriate.
- Make recommendations as to the auditor appointment and implement a policy on the engagement of the external auditor to supply non-audit services.
- Review the internal control and risk management systems
- Explain what actions have been, or are being taken to remedy any significant failings or weaknesses.
- Ensure that appropriate arrangements are in place for the proportionate and independent investigation of any concerns that are raised by staff in connection with improprieties.

Oversight of external audit
Integrity of reporting
Internal controls and risks
Oversight of internal audit
Whistle-blowing and fraud

- Impact assessment of key judgements and level of management challenge.
- Review of external audit findings, key judgements, level of misstatements.
- Assess the quality of the internal team, their incentives and the need for supplementary skillsets.
- Assess the completeness of disclosures, including consistency with disclosures on business model and strategy and, where requested by the Council, provide advice in respect of the fair, balanced and understandable statement.
- Consider annually whether there is a need for an internal audit function and make a recommendation accordingly to the Council.
- Monitor and review the effectiveness of the internal audit activities.
Our audit explained
We tailor our audit to your business and your strategy

**Identify changes in your business and environment**
There are no significant changes to reporting requirements or individually significant transactions which require an additional response. We note that the University is currently exploring a residential development strategy which may have a material impact on the financial statements of QMUL. We further note that the estate development programme, and borrowing arrangements are under-going review which may impact our audit.

**Scoping**
Full audits will be carried out on the separate financial statements of the entities listed on page 8, as well as the University itself. Also, specified procedures will be carried out on the entities listed on page 8 for the purposes of our opinion on the group accounts.

**In our final report**
In our final report to you we will conclude on the significant risks identified in this paper, report to you our other findings and detail those items we will be including in our audit report, including key audit matters if applicable.

**Determine materiality**
We would welcome a discussion with the Audit and Risk Committee on the level of our planning materiality that we will apply to our audit. We would like to propose a materiality level of 2% of total revenue for the university (£8.5m). This would be consistent with Sector practice and our judgement based on the last three years of completing your external audit. However, we note that the prior year (2016/17) materiality was based on 1.5% of total revenue (£6m) and, as this would be an increase on prior year, we would seek to discuss this with the Audit and Risk Committee. If we apply an £8.5m materiality level we would propose to report to you misstatements over £0.425m (2016/17: £0.2m) and others which are qualitatively significant.

**Significant risk assessment**
There are no changes to the significant risks we have identified. We have included information on pages 14 and 15 relating to other focus areas of our audit.

**Quality and Independence**
We confirm all Deloitte network firms and engagement team members are independent of the University. We take our independence and the quality of the audit work we perform very seriously. Audit quality is our number one priority.
Continuous communication and reporting

Planned timing of the audit

As the audit plan is executed throughout the year, the results will be analysed continuously and conclusions (preliminary and otherwise) will be drawn. The following sets out the expected timing of our reporting to and communication with you.

<table>
<thead>
<tr>
<th>Planning</th>
<th>Interim work</th>
<th>Subsidiary audit work</th>
<th>Year end fieldwork</th>
<th>Post reporting activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning meetings</td>
<td>Update to our understanding of systems, processes and controls</td>
<td>Delivery of subsidiary company statutory audits</td>
<td>Audit of Annual Report and combined Financial Statements</td>
<td>Reporting of other control deficiencies if applicable</td>
</tr>
<tr>
<td>Discussion of audit fees</td>
<td>Identification and testing of the design and implementation of key controls</td>
<td>Meetings with subsidiary directors as appropriate</td>
<td>Year-end audit field work</td>
<td>Council Meeting to approve the accounts</td>
</tr>
<tr>
<td>Discussion of fraud risk assessment</td>
<td>Testing of interim samples of research contracts</td>
<td>Review of draft subsidiary accounts</td>
<td>Year-end closing meetings</td>
<td>Sign off of University accounts.</td>
</tr>
<tr>
<td>Discussion of the scope of the audit</td>
<td>Testing of interim samples of key capital projects</td>
<td>Sign off of subsidiary accounts</td>
<td>Reporting of significant control deficiencies</td>
<td>Management and audit team debrief and lessons learned and to applied in 2018/19.</td>
</tr>
<tr>
<td>Risk assessment and development of audit plan</td>
<td></td>
<td></td>
<td>Signing audit reports in respect of Financial Statements</td>
<td></td>
</tr>
<tr>
<td>Finalisation and distribution of audit request list</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2018 Audit Plan</th>
<th>Oral update and written report to management on our interim work</th>
<th>Oral update to management</th>
<th>Final report to the Audit and Risk Committee</th>
<th>Any additional reporting as required</th>
</tr>
</thead>
</table>

Ongoing communication and feedback
Materiality
Our approach to materiality

Basis of our materiality benchmark
• We would welcome a discussion with the Audit and Risk Committee prior to concluding upon the materiality level that we will apply to the 2017/18 audit.

• In 2016/17, our materiality was based on 1.5% of total revenue which was £6m.

• Based on our experience of working with the University, and to be consistent with Sector practice in this area, it is our judgement that we could increase our materiality level to 2% of revenue (£8.5m).

• The impact of this increase in materiality would include raising the threshold for audit adjustments that we report to the Audit and Risk Committee from £0.2m to £0.4m. We refer to this as our clearly trivial misstatements threshold.

• In designing our audit procedures we apply a performance materiality level which is lower than the level of materiality. This performance materiality is used to determine our sample sizes and analytical review thresholds, and the reduction from materiality reflects an anticipated level of unadjusted error. Consistent with 2016/17, we would propose to apply a 30% reduction on our materiality when calculating our performance materiality. On this basis, our performance materiality level would be £6m (in 2016/17 performance materiality was £4.2m).

• We would expect the benefit of these changes to include the following:
  • Less time spent with management on investigating, discussing and making changes for relatively small errors and other differences. It also enables us to focus our reporting to the Audit and Risk Committee on areas of higher risk and the more significant findings from the audit.
  • The change would bring the assessment into line with our understanding of the wider sector view on materiality.
  • The change in performance materiality will have the effect of making a relatively small reduction in sample size in areas where we carry out sample testing, typically of a more routine nature. We expect this to be balanced by the investment of more time in risk assessment activity, including profiling of populations, ensuring our sampling remains effective and the value of that testing remains the same or greater.
  • Although materiality is the judgement of the audit engagement lead, the Audit and Risk Committee should satisfy themselves that the level of materiality chosen is appropriate for the scope of the audit and for this reason we would welcome a discussion on this matter during your March meeting.
Scoping
Our key scoping decisions

**Approach to the scoping of group and components**

We have assessed that the University itself is the only significant component of the group. Full audits will be carried out on the following entities for the purpose of our opinions on the separate financial statements:

- Peoples Palace Project
- Queen Mary Innovation Limited
- Nanoforce Technology Limited
- QMW Development Limited
- QMUL Foundation
- Queen Mary Bio-enterprises Limited

Based on our preliminary assessment we do not expect any of the subsidiary entity risks to present any risks at group level.

The following entities will be subject to a desktop review for the purposes of our group opinion:

- QMUL Holdings Limited (Malta)
- QMUL Malta Limited (Malta)
- Queen Mary Research Labs (Macau) Limited
- QM Research and Consulting (Hong Kong) Limited

The external audit for the UK subsidiaries will be led by Ben Sheriff who led these audits in 2016/17. We will work with management to agree a timetable and plan that enables the completion of the audit of the subsidiaries earlier than in the prior year and in advance of completing the University external audit.

Although scoping is the judgement of the audit engagement lead, the Audit and Risk Committee must satisfy themselves that the scoping chosen gives sufficient coverage of the University and its operations.
Scoping
Our key scoping decisions (continued)

Interactions with Internal Audit
We will meet with Internal Audit to understand their work plans and how they fit with our own and to discuss the findings from their work.

We will review their reports as part of our risk assessment but do not propose to place reliance on their work for the purpose of our opinion on the FY2018 accounts as our audit approach is planned to be largely substantive and not controls based.
Significant risks
Our risk assessment process

We consider a number of factors when deciding on the significant audit risks. These factors include:

- the significant risks and uncertainties previously reported in the annual report and financial statements;
- the IAS 1 critical accounting estimates previously reported in the annual report and financial statements;
- the disclosures made by the Audit and Risk Committee in their previous Audit and Risk Committee report;
- our assessment of materiality; and
- the changes that have occurred in the business and the environment it operates in since the last annual report and financial statements.

Where we consider these give rise to a significant risk of material misstatement, we have identified these on the following pages.

We have not identified any new risks but have highlighted other focus areas for the purposes of our audit. These are:

- Partnerships
- Application of funds
- Pensions schemes

Further details of these other focus areas have been detailed on pages 14 to 15.

Principal risk and uncertainties – 2017 Annual Report

- Generation of sufficient surpluses to meet objectives
- Possible loss of EU funding due to Brexit
- Repeat positive outcome in next Research Excellence Framework exercise in 2021.

Critical accounting estimates – 2017 Annual Report

- Pension provision assumptions

Changes in your business and environment

- We note that the University is currently exploring a residential development strategy, including new lease arrangements, which may have a material impact on the financial statements of QMUL. We further note that that the estate development programme is under-going review which may impact QMUL’s level of borrowings.
- We will consider these matters further during the year and assess whether they impact our overall risk assessment.

Prior year risk assessment

- Recognition of research grant income
- Decisions on capitalisation of expenditure
- Management override of controls
Significant risks
Recognition of research grant income

Risk identified
Auditing standards presume there is a risk of fraud in revenue recognition. There is a risk that income may not be accounted for in the correct period, in particular where not all costs incurred before the year end have been captured at that date. There is also a risk that income may be incorrectly recognised where costs do not relate to the project or are not eligible for recovery from the funder.

Key judgements
There can be judgements over:
• Whether the correct basis of accounting has been used; and
• Whether individual items are recoverable from the funder under the terms of the agreement.

Deloitte response and challenge
We will carry out a detailed risk assessment to pinpoint the area of significant risk which takes account of:
• any fraud risk factors we have identified;
• the scope and results of any grants audits commissioned by grant funders in the period;
• the findings from our prior year work; and
• any control deficiencies identified by internal audit.

Our procedures include:
• test of the design and implementation of controls;
• meeting with project managers to challenge the shortfall against budget and income vs expenditure spend profile;
• test of expenditure recorded after the year end to test that recorded in the correct period; and
• test of expenditure recorded in the financial year to test that eligible to be billed.
Significant risks
Capitalisation of expenditure

Risk identified
Budget capital spend on tangible and intangible assets for 2017/18 is approximately £92.6m. There is judgement over whether items included in capital spend, meet the conditions for capitalisation under FRS102 and a consequent risk that items may have been inappropriately capitalised. In addition, where spend involves replacement of a component of an asset, there is a risk that the replaced component has not been derecognised.

Key judgements
Key areas of judgement include:
• Whether costs incurred in the early stages of a capital project are recoverable;
• The treatment of overheads including own labour costs;
• The treatment of expenditure on existing fixed assets which may be of a maintenance nature; and
• The treatment of costs which relate to a capital project but which are themselves of a revenue nature.

Deloitte response and challenge
We discuss the major capital projects with members of estates management to gain an understanding of the projects where significant expenditure has been incurred in the year, including the range of activities involved in the project, any issues arising (e.g. additional claims from the contractor) and the current status of the project.

We evaluate the design and implementation of controls over:
• Decisions on the classification of costs as capital; and
• Recording the de-recognition of a component of an asset where additions involve the replacement of a component of an asset.

Our substantive procedures will include:
• Testing the appropriateness of the treatment of a sample of items included in fixed asset additions; and
• For that sample, determining whether the expenditure involves the replacement of a component of the asset and, if so, whether de-recognition of the existing component has been recorded and how that entry has been calculated.

Our selection is profiled to take account of the results of our upfront discussion with the estates team.
Significant risks
Management override of controls

**Risk identified**
In accordance with ISA 240 (UK) management override is always a significant risk. Management is in a unique position to perpetrate fraud because of management’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

**Deloitte response and challenge**
In responding to the risk of management override, we plan to perform the following audit procedures that directly address this risk:

- We will risk assess journals and select items for detailed follow up testing. The journal entries will be selected using computer-assisted profiling based on areas which we consider to be of increased interest.
- We will test the appropriateness of journal entries recorded in the general ledger, and other adjustments made in the preparation of financial reporting.
- We will review accounting estimates for biases that could result in material misstatements due to fraud.
- We will obtain an understanding of the business rationale of significant transactions that we become aware of that are outside of the normal course of business for the entity, or that otherwise appear to be unusual, given our understanding of the entity and its environment.

In assessing the risk of management override, we will:

- assess the overall position taken in respect of key judgements and estimates;
- consider the sensitivity of the financial statements with respect to achieving loan covenants;
- consider remuneration plans and linkage with key management judgements; and
- consider our view on the overall control environment and ‘tone at the top’.
Other areas of audit focus

We have set out below other areas that may be of interest to the Committee that will form part of our audit work. However, we note that we have not classified these areas as significant audit risk areas.

Area 1 - Partnerships

Details

Queen Mary University of London has a number of partnerships, sponsorships and other close working relationships with organisations such as overseas operations, joint ventures, associates and the student union.

There is a risk that the University exercises significant influence or joint control through some of these relationships and that therefore some of these may have the substance of an associate or joint venture.

Deloitte response

We will request management to prepare a memorandum summarising any new relationships (or changes to existing relationships) and their assessment of the nature and substance of them.

We will review meeting minutes in order to identify any relationships not disclosed.

We will challenge management’s assessment of the nature of any new relationships to reach an understanding of them in order to consider any implications for the financial statements.

Area 2 – Application of funds

Details

The University has to demonstrate that funds have been applied in accordance with the Memorandum of Assurance and Accountability.

In addition, for certain other sources of revenue, it must apply the funds in accordance with the terms and conditions of the funder.

Deloitte response

We will perform specific procedures to test that income received for specific purposes has been applied for the purposes intended. We will also discuss with management how the University ensures compliance with the Memorandum of Assurance and Accountability.
### Other areas of audit focus
#### Area 3 – Pension schemes

<table>
<thead>
<tr>
<th>Details</th>
<th>We will perform procedures in respect of the valuation of the liability in relation to the deficit funding of the Universities Superannuation Scheme, of which employees of the University are members. This is a multi-employer scheme, accounted for as if it were a defined contribution scheme as the assets and liabilities cannot be allocated to members. However, a liability is required to be recognised for contractually agreed future payments against the past deficit. The calculation of this liability requires the use of estimates in relation to headcount and pay movements, although a model is provided by BUFDG to simplify the process.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deloitte response</td>
<td>We will challenge the judgements made by management in calculating the liability. We will check the calculations in the model.</td>
</tr>
</tbody>
</table>
Purpose of our report and responsibility statement
Our report is designed to help you meet your governance duties

What we report
Our report is designed to establish our respective responsibilities in relation to the financial statements audit, to agree our audit plan and to take the opportunity to ask you questions at the planning stage of our audit. Our report includes:

• Our audit plan, including key audit judgements and the planned scope;
• Key regulatory and corporate governance updates, relevant to you

What we don’t report
As you will be aware, our audit is not designed to identify all matters that may be relevant to the Council.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, the views on internal controls and business risk assessment in our final report should not be taken as comprehensive or as an opinion on effectiveness since they will be based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

Other relevant communications
We will update you if there are any significant changes to the audit plan.

This report has been prepared for the Audit and Risk Committee, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent.

We welcome the opportunity to discuss our report with you and receive your feedback.

Jonathan Gooding FCA
for and on behalf of Deloitte LLP
St Albans | 15 February 2018
Appendices

<table>
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<th>Appendix</th>
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<td>Sector update</td>
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<td>Prior year audit adjustments</td>
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<td>Fraud responsibilities and representations</td>
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<td>Independence and fees</td>
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</tbody>
</table>
Sector update
We provide an update on accounting, corporate reporting and other relevant sector developments
Gender pay gap reporting
The first reports are due before 5 April 2018

Regulations on gender pay gap reporting
All private sector employers with more than 250 relevant employees will need to collate data on 5 April each year for publication before the next 5 April.

The results from the required calculations, along with a supporting statement, must be published on the employer’s website and on a Government online portal.

Non-compliance will be an unlawful act and will empower the Equality and Human Rights Commission to take enforcement action.

In addition to the required reporting, employers may want to undertake analysis on differences in pay and the composition and structure of the workforce in order to understand the story behind the figures and take specific actions to target any gender pay gaps.

What information must employers publish?
• Mean and median gender pay gap
• Mean and median gender bonus gap
• Proportion of men and women receiving a bonus payment
• Proportion of men and women in each pay quartile of the organisation
• A written statement, signed by an appropriate senior person, which confirms the accuracy of their calculations.

The reporting requirements apply to each separate legal entity within the group structure with at least 250 relevant employees. Each part time worker counts as one employee towards the headcount figure.

Where can guidance be obtained?
Time to act: Getting ready for the gender pay gap information regulations provides practical guidance to assist companies meet the requirements of the regulations.

The Government Equalities Office and Acas has issued guidance: Managing gender pay reporting.

Acas is also maintaining a website with further resources to assist employers, and the Government’s Gender Pay Gap campaign website is also available, including guidance and case studies.
UK exit from the EU
Decisions following the triggering of article 50

Whilst nobody can predict the outcome of the next two years of negotiations, we can be sure that Brexit will require all organisations to take some big decisions. Some will require lengthy and complicated preparations, and for many, there will be advantages in thinking about this sooner rather than later.

Deloitte’s model of Brexit risks and opportunities

<table>
<thead>
<tr>
<th>Market Access</th>
<th>Movement of People</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Operations</td>
<td>• Social security</td>
<td>• Regulation</td>
</tr>
<tr>
<td>• Trade</td>
<td>• Immigration</td>
<td>• International trade</td>
</tr>
<tr>
<td>• Tax</td>
<td>• Operations</td>
<td>• Industrial strategy</td>
</tr>
<tr>
<td>• Market conditions</td>
<td></td>
<td>• Regional development</td>
</tr>
<tr>
<td>• IT &amp; data: hosting &amp; cloud, cyber security</td>
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</tbody>
</table>
UK exit from the EU
Navigating uncertainty – key questions for the Audit and Risk Committee

Is QMUL set up to navigate the change?
Have you assessed the impact of potential changes and identified key decision points?
Have you defined the options there are to respond? E.g. scenario or contingency planning?
Are you monitoring developments and are you ready to act proportionately at the right time?
Are all the right people involved?
Are channels of communication clear, both internally and externally, and have university spokespeople been fully briefed?

Impact on internal planning, forecasting and strategy
Is management using forward-looking indicators such as forward bookings, contact conversion rates and supplier forward pricing?
Is there a significant impact from foreign exchange changes and volatility?
Have opportunities as well as risks been considered?

Impact on internal and external audit
Should the scope and plan for internal audit be amended to include contingency planning, or testing key risk indicators?
Is there an impact on critical accounting judgments and areas of estimation uncertainty that need to be discussed with the external auditor?

Impact on external reporting
Will disclosures on principal risks and uncertainties need to be revisited now Article 50 has been triggered?
Does longer term viability statement account for the fact that the end of the exit negotiation period is now within the lookout period?
Have you developed a plan for appropriately detailed disclosure in management commentary or in the strategic report?

“As the economic and political effects are develop and become more certain in the medium and longer term, we would expect Boards to provide increasingly company specific disclosures with, ultimately, quantification of the effects.”

(FRC Letter to Investors 2016)
FRED 67 ‘Draft Amendments to FRS 102 - Triennial Review 2017’

In a nutshell
- FRED 67 proposes amendments to:
  - **Directors’ loans** – small entities will no longer need to estimate a market rate of interest when measuring loans from a director who is also a shareholder. Note that the FRC, in May 2017, amended FRS 102 for this to provide interim relief for small entities when accounting for Directors’ loans prior to finalisation of the proposals in FRED 67.
  - **Intangible assets acquired in a business combination** – fewer intangible assets will be required to be separately identified from goodwill and valued. For example, where previously entities may have recognised customer relationships as acquired intangibles. This may no longer be required.
  - **Investment property rented to another group entity** – entities will now be able to choose to measure these investment properties at cost less depreciation and impairment instead of fair value. At present, such property must be measured at fair value unless the entity can conclude that determining fair value would require ‘undue cost or effort’. The undue cost or effort exemption (where entities could value investment property at cost if they could demonstrate that obtaining a valuation was disproportionately difficult or expensive relative to the quality of information provided to the users) will be removed for all investment property.
  - **Classification of financial instruments** – additional financial instruments will be considered ‘basic’ (and thereby measured on a cost rather than fair value basis) beyond those meeting the prescriptive conditions, if they are consistent with a new principle-based description. In practice this is likely to apply to a very limited number of instruments.
  - **Definition of a financial institution** – financial institutions are required to provide additional disclosures about financial instruments. Fewer entities should be financial institutions following changes to the definition, although all entities will need to consider if the risks associated with the financial instruments they hold are significant enough to warrant further disclosures.

As well as the above areas, further amendments are proposed to improve and clarify existing requirements within FRS 102 although these do not change the underlying requirements of FRS 102. Consequential amendments are also proposed to the other UK and Ireland accounting standards, such as FRS 105 The Financial Reporting Standard applicable to the Micro-entities Regime, for consistency with FRS 102.

Effective date
The proposed amendments will be effective for accounting periods beginning on or after 1 January 2019 with earlier application permitted if all of the amendments are applied at the same time.

Find out more on our website UK Accounting Plus by clicking [here](#)
FRED 68 ‘Draft Amendments to FRS 102 – Payments by subsidiaries to their charitable parents that qualify for gift aid’

In a nutshell

- Amends FRS 102 in relation to the accounting for gift aid payments made by a subsidiary to its charitable parent.
- For a subsidiary of a charitable parent, FRED 68 proposes that the tax effects of a gift aid payment, when it is probable that it will be made in the nine months following the reporting date, will be taken into account at the reporting date. It also clarifies that:
  - the gift aid payment, as a distribution to owners, shall not be accrued at the reporting date (unless a deed of covenant is in place) and shall be recognised in equity; and
  - the tax effects of the gift aid payment shall be recognised in profit or loss.
- The FRC has now ratified this proposal as part of the triennial improvements to FRS 102.
- Early adoption is permissible.

Effective date

The proposed amendments will be effective for accounting periods beginning on or after 1 January 2019 with earlier application permitted if an entity also applies the amendments in FRED 67 at the same time.

Potential impact on QMUL

Currently, QMUL accrues for the gift aid payable by and receivable from its subsidiaries. Once this amendment is adopted (and early adoption is permissible), the university will need to make adjustments to for any subsidiaries for which a deed of covenant is not in place. The tax impact will continue to be recognised in the same period as now, however no gift aid liability or receivable will be recognised, and the transaction shall be recognised in the equity of the subsidiary.

The requirement to maintain sufficient distributable reserves to account for the gift aid “distribution” remains, and universities may wish to consider other ways to manage their tax position, such as group relief between different subsidiaries.

Find out more on our website UK Accounting Plus by clicking here
Office for Students

The office for Students (OfS - https://www.officeforstudents.org.uk/) becomes fully operational in April 2018. This represents a significant moment in the regulatory environment for Higher Education Institutions, and one which carries some uncertainty. The OfS has a clear mandate that is very much focussed on the student and the protection of their interests.

In order to access the student support system, or obtain grant funding from 1 August 2019, all providers will need to register with the OfS. This registration will open from early April 2018, and guidance should be published by the end of February 2018.

Other recent OfS news includes the OfS formally adopting the TEF, and as such taking responsibility for the assessment of this year’s TEF applications. There is a clear intention to build on this framework and develop a formal subject-level TEF.

In addition, the OfS has commissioned (January 2018) a major survey looking at value for money in the sector. This is focussed on understanding students’ perceptions of what drives value for money, in order to ensure that OfS can discharge its legal responsibilities to promote value for money in the sector in the most effective way.

**Deloitte view and next steps**

Institutions will need to be prepared for potential change, and an ever increasing focus on the perception of students by the new regulator. Whilst it remains to be seen exactly what changes the new environment will bring, it is clear that changes will come. Institutions need to ensure that they are prepared for these, for example focusing on how proposed moves to a subject-level TEF need to be addressed to maximise the potential for the best results.
HEFCE circular letters – Catalyst funding and gender pay-gap

**Catalyst Funding – addressing hate crime**

**Issues raised**
- This letter (03/2018) invites HEFCE-funded entities to submit proposals for projects addressing religious based hate crime affecting students. There is potential funding from the Catalyst Fund of up to 350k available for projects.
- This funding is on a match-funded basis.
- Projects should be designed to be brought together to form a collaborative nationwide network.

**Deloitte view and next steps**
- Addressing hate crime is an important part of safeguarding and student wellbeing. The existence of match funding will encourage entities to look at this key matter.
- Management should consider their provision in this area and whether a funding application would be appropriate.
- Deadline for applications to HEFCE is noon on 28 Feb 2018.

**Gender pay-gap reporting**

**Issues raised**
- This letter (02/2018) reminds institutions that gender pay gap figures must be reported by Friday 30 March 2018.
- Reporting is via the Government’s online reporting service and on institutions’ websites.

**Deloitte view and next steps**
- The letter sets out suggested next steps. As seen in recent news reporting, there are significant potential reputational impacts of this reporting, and the University should ensure that it understands both its reported position, and the message that it wants to convey in advance of publishing the data.
- Note that the Universities and Colleges Employers Association (UCEA) has prepared a toolkit of resources and is in the process of publishing a guide for institutions on conducting reviews.
- It is also important to understand the consistency and accuracy of the management information in this area, so that appropriate reports and comparisons can be made.
GDPR is nearly here

Issues raised

- The General Data Protection Regulation or GDPR will come into effect and replace current EU data protection laws from 25 May 2018.
- Deloitte has conducted a General Data Protection Regulation (GDPR) benchmarking survey across a sample of organisations and industry sectors in EMEA. The aim of this survey was to understand how organisations are preparing for GDPR compliance, how advanced their implementation plans are, and how confident they are of achieving their goals by 25 May 2018.
- The results of the survey indicate that organisations are taking a wide range of readiness approaches, driven by the combination of the potential for significant fines, the increased obligation to demonstrate proactive compliance and the complexity and ambiguity of some of the requirements.
- The results show that approaches to compliance and remedial spending vary widely; 39% of organisations report spending less than €100,000, whilst 15% report spending more than €5 million. There is no correlation between organisation size (by headcount or revenue) and spend, nor any clear trends in different industry segments. Our results reported examples of organisations with fewer than 10,000 employees spending over €2.5 million, but other examples of organisations with more than 50,000 employees spending less than €250,000.
- Overall, only 15% of organisations surveyed expect to be fully compliant by May 2018, with the majority instead targeting a risk-based, defensible position.

Deloitte view and next steps

- The report contains a number of practical suggestions and next steps in order to further develop compliance.
- Higher Education Institutions by their very nature process large amounts of personal data, and therefore Management will need to carefully consider and document how they comply with these requirements.
UCAS deadline 15th January

Issues raised

- UCAS reported that following the 15 January application deadline, the overall number of applications was 0.9% lower than in the previous year.
- However, the total number of 18-year-olds applying has risen slightly as a percentage of the available population. The chart below (Data from the Office for National Statistics) shows the ongoing decline in the number of 18-year-olds in the UK population. This will not recover to the series average (in this case the 2016 level) until around the 2024 intake. The 2019 and 2020 populations of 18-year-olds are both anticipated to be lower than the current year.

• EU and other international applications rose significantly in percentage terms, but as these form less than 20% of the total applications, this effect is unlikely to be significant.

Deloitte view and next steps

- Many Universities have medium term financial plans predicated on increasing student numbers.
- These plans often support key capital programmes.
- Audit and Risk Committees should ensure that a robust challenge is made to plans based on increased student recruitment, owing to these key demographic challenges.
Negotiations in progress

Issues raised

• The latest USS valuation report shows the scheme deficit has increased significantly since the previous valuation. Negotiations are currently underway to make changes to the scheme in order to ensure the ongoing sustainability of the scheme to the best benefit of members.

• A BBC news report of 23 January 2017 suggests that the current proposals are likely to lead to industrial action within the sector, as they focus on changing the nature of the scheme towards a defined contribution scheme from the current defined benefit set up.

• There is likely also to be a revised deficit recovery plan. Even a small percentage point increase in the deficit contribution required will have a potentially significant effect on the balance sheet of HEIs which are exposed to the scheme, as a liability for future deficit recovery payments is required to be recognised.

Deloitte view and next steps

• Universities will need to plan messaging over the scheme carefully, and remain engaged with staff concerns.

• Finance teams will need to ensure that they are prepared to model any revised deficit funding plan into forecast results, including any impact on loan covenants and key financial ratios.
Benchmarking and other data

Student residences
• The provision of appropriate student accommodation is a hot topic within the sector at the current time. HESA has recently released data on where full-time students reside during term-time.

Source: HESA Student data 2016/17; https://www.hesa.ac.uk/data-and-analysis/students/where-study
• This shows that in percentage terms there has been slight movement away from “own residence” – i.e. an owned or longer-term rental property – towards private-sector or provider maintained property year on year.
• Universities looking at future provision will need to consider further the balance of the styles provided, and indeed how the emphasis is changing towards higher quality accommodation to match the student experience.
Original domicile of students

- Another recently published data set by HESA is a set of tables showing the origination point of students (IE their original domicile) divided up by the region that the HEI resides in. These data are freely available on the HESA website for analysis and manipulation. The chart below shows the top 15 domiciles for students at Higher Education providers in London.

Source: HESA Student data 2016/17; https://www.hesa.ac.uk/data-and-analysis/students/where-study

- Management should consider where recruitment areas are focussed, and whether they wish to concentrate further on areas with known student flows, or to expand into areas which are not currently targeted by local universities.
Technical update
Benchmarking and other data

Degree class awarded
• The HESA data also include data on the degree class awarded in 2016/17 arranged by institution. In an increasingly competitive market, this data is also of interest to students also. The graph below shows the classes of degrees awarded by QMUL compared with the national average for last year.

Source: HESA Student data 2016/17, Table 16 - HE qualifiers by HE provider and level of qualification obtained 2016/17
Prior year audit adjustments
Prior year audit adjustments
Uncorrected misstatements

The following uncorrected misstatements were identified during the course of our prior year audit:

<table>
<thead>
<tr>
<th>Credit/(Charge) to the income statement £'m</th>
<th>Increase/(Decrease) in net assets £'m</th>
<th>Increase/(Decrease) in retained earnings £'m</th>
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<tbody>
<tr>
<td></td>
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</tbody>
</table>

**Factual misstatements**

Refer below

**Judgemental and projected misstatements**

Being expenditure capitalised to capital projects that were found to be revenue in nature.

This unadjusted item has been derived as a combination of both judgemental misstatements relating to demolition costs (extrapolated difference of £60k) and other expenditure (extrapolated difference of £140k).

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<tr>
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<th>0.2</th>
<th>(0.2)</th>
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**Total**

<table>
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<tr>
<th></th>
<th>0.2</th>
<th>(0.2)</th>
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</table>

We obtained written representations from the Council confirming that after considering all these uncorrected items, both individually and in aggregate, in the context of the consolidated financial statements taken as a whole, no adjustments were required.
Fraud responsibilities and representations
Fraud responsibilities and representations
Responsibilities explained

Your Responsibilities:
The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

Our responsibilities:
• We are required to obtain representations from your management regarding internal controls, assessment of risk and any known or suspected fraud or misstatement.
• As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.
• As set out in the significant risks section of this document, we have identified the risk of fraud in revenue recognition, the accuracy of accrued income, and management override of controls as a key audit risk for your university.

Fraud Characteristics:
• Misstatements in the financial statements can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action that results in the misstatement of the financial statements is intentional or unintentional.
• Two types of intentional misstatements are relevant to us as auditors – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets.

We will request the following to be stated in the representation letter signed on behalf of the Council:
• We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
• We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
• [We are not aware of any fraud or suspected fraud / We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity or group and involves:
  (i) management;
  (ii) employees who have significant roles in internal control; or
  (iii) others where the fraud could have a material effect on the financial statements.]
• We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity’s financial statements communicated by employees, former employees, analysts, regulators or others.
Fraud responsibilities and representations

Inquiries

We will make the following inquiries regarding fraud:

**Management:**
- Management’s assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments.
- Management’s process for identifying and responding to the risks of fraud in the entity.
- Management’s communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in the entity.
- Management’s communication, if any, to employees regarding its views on business practices and ethical behaviour.
- Whether management has knowledge of any actual, suspected or alleged fraud affecting the entity.
- We plan to involve management from outside the finance function in our inquiries.

**Internal audit**
- Whether internal audit has knowledge of any actual, suspected or alleged fraud affecting the entity, and to obtain its views about the risks of fraud.

**Those charged with governance**
- How those charged with governance exercise oversight of management’s processes for identifying and responding to the risks of fraud in the entity and the internal control that management has established to mitigate these risks.
- Whether those charged with governance have knowledge of any actual, suspected or alleged fraud affecting the entity.
- The views of those charged with governance on the most significant fraud risk factors affecting the entity.
Independence and fees
## Independence and fees

As part of our obligations under International Standards on Auditing (UK), the Listing Rules and the Companies Act, we are required to report to you on the matters listed below:

| Independence confirmation | We confirm the audit engagement team, and others in the firm as appropriate, Deloitte LLP and, where applicable, all Deloitte network firms are independent of the group and will reconfirm our independence and objectivity to the Audit and Risk Committee for the year ending 31 July 2018 in our final report to the Audit and Risk Committee. |
| Fees | Details of the non-audit services fees proposed for the period have been presented separately in the appendix. |
| Non-audit services | In our opinion there are no inconsistencies between the FRC’s Ethical Standard and the university’s policy for the supply of non-audit services or any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary. |
| Relationships | The following slide provides details of all the relationships (other than the provision of non-audit services which are covered above) we have with QMUL, its Council Members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our objectivity and independence, together with the related safeguards that are in place. |
Independence and fees

As part of our obligations under International Standards on Auditing (UK) and the FRC’s Ethical Standard we are required to report to you on all relationships (including the provision of non-audit services) between us and the audited entity:

<table>
<thead>
<tr>
<th>Relationship / Service provided</th>
<th>Fees £’000</th>
<th>Threats to auditor independence</th>
<th>Safeguards in place</th>
</tr>
</thead>
<tbody>
<tr>
<td>FFELP Return</td>
<td>4.2</td>
<td>None</td>
<td>No additional safeguards required</td>
</tr>
</tbody>
</table>
Independence and fees

The professional fees expected to be charged by Deloitte (excluding VAT) in the period from 01/08/2017 to 31/07/2018 are as follows:

<table>
<thead>
<tr>
<th>Service</th>
<th>Current year proposed fees 2017/18 £’000</th>
<th>Prior year 2016/17 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit of University</td>
<td>85.2</td>
<td>83.0</td>
</tr>
<tr>
<td>Audit of subsidiaries</td>
<td>40.0</td>
<td>39.0</td>
</tr>
<tr>
<td><strong>Total audit</strong></td>
<td><strong>125.15</strong></td>
<td><strong>122.0</strong></td>
</tr>
<tr>
<td>Audit related assurance services – FFELP return</td>
<td><strong>4.2</strong></td>
<td><strong>4.1</strong></td>
</tr>
<tr>
<td><strong>Total non-audit services</strong></td>
<td><strong>4.2</strong></td>
<td><strong>4.1</strong></td>
</tr>
<tr>
<td><strong>Total fees</strong></td>
<td><strong>129.35</strong></td>
<td><strong>126.1</strong></td>
</tr>
</tbody>
</table>

* = The 2017 fee has been adjusted by CPI in order to determine the 2018 fee. Note that the 2018 fees remain under discussion with management as at the date of issue of this report.
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Audit and Risk Committee 08-03-18
Paper ARC2017/34

Review and update of Policies – 2018

<table>
<thead>
<tr>
<th>Outcome requested:</th>
<th>Committee are asked to <strong>approve</strong> updates to the following policies and procedures:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Standards of Business Conduct</td>
</tr>
<tr>
<td></td>
<td>• Fraud and Corruption Policy and Response Plan</td>
</tr>
<tr>
<td></td>
<td>• Anti Bribery and Corruption Policy</td>
</tr>
<tr>
<td></td>
<td>• Anti Money Laundering and Criminal Finances Act Policy</td>
</tr>
<tr>
<td></td>
<td>• Public Interest Disclosure Policy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Executive Summary:</th>
<th>The policies have been updated to reflect the following:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. <strong>Standards of Business Conduct</strong></td>
</tr>
<tr>
<td></td>
<td>• The current version on the Policy Zone, last approved by the Audit and Risk Committee in 2014, has been updated to reflect references to QMUL from “the College” and Appendix A references to CIPS Code of Ethics</td>
</tr>
<tr>
<td></td>
<td>2. <strong>Fraud and Corruption Policy and Response Plan</strong></td>
</tr>
<tr>
<td></td>
<td>• The current version on the Policy Zone dated 2014, has been updated to reflect references to QMUL from “the College”</td>
</tr>
<tr>
<td></td>
<td>• Appendices containing the full disciplinary Ordinance have been removed and a reference to the policies included (removing 13 pages from this policy)</td>
</tr>
<tr>
<td></td>
<td>3. <strong>Anti Bribery and Corruption Policy</strong></td>
</tr>
<tr>
<td></td>
<td>• The current version on the Policy Zone last approved by Council 2014, has been updated to reflect references to QMUL from “the College”.</td>
</tr>
<tr>
<td></td>
<td>• The inclusion of references to training in sections 1.5; 4.3 and 11.1 and completion of this training to be monitored by School/Institute Managers and Professional Services Directors</td>
</tr>
<tr>
<td></td>
<td>4. <strong>Anti Money Laundering and Criminal Finances Act Policy</strong></td>
</tr>
<tr>
<td></td>
<td>• The current version on the Policy Zone last approved by Council in 2014, has been updated to reflect references to QMUL from “the College”.</td>
</tr>
<tr>
<td></td>
<td>• The incorporation of the Criminal Finances Act which came into force in September 2017</td>
</tr>
<tr>
<td></td>
<td>• Introduced a cap on levels of cash that QMUL will receive to £10k</td>
</tr>
<tr>
<td></td>
<td>5. <strong>Public Interest Disclosure Policy</strong></td>
</tr>
<tr>
<td></td>
<td>• Changed the route for making a disclosure (normally to the Academic Registrar and Council Secretary, rather than the President and Principal) and clarified who will normally be informed.</td>
</tr>
<tr>
<td></td>
<td>• Added clearer signposting to the Safeguarding Policy and Procedures, the Prevent duty and the Criminal Finances Act 2017.</td>
</tr>
</tbody>
</table>
- Added signposting to external sources of advice for potential whistle blowers.
- Clarified the definitions of ‘detrimental treatment’ and ‘vexatious allegations’.
- Added clarification that the policy does not form part of the contract of employment and can be amended at any time (paragraph 2.4).

It is also recommended to re-set the review date to 3 years for these policies/procedures, to provide consistency and alignment across the documents going forward.

<table>
<thead>
<tr>
<th>QMUL Strategy:</th>
<th>Strategic Aim 6: to achieve and sustain financial strength to enable our academic ambitions, through a balanced portfolio of activities.</th>
</tr>
</thead>
</table>
| Internal/External regulatory/statutory reference points: | Internal Policies and Regulations  
External Statutory Requirements |
| Strategic Risks: | 11 – Sustainable income streams.  
12 – Cost control, VfM and expenditure |
| Equality Impact Assessment: | Not required – updates to policies are minor in nature. |
| Subject to prior and onward consideration by: | QMSE 27 February 2018  
Audit and Risk Committee 8 March 2018  
Council 31 May 2018 |
| Confidential paper under FOIA/DPA | No |
| Timing: | These policies are reviewed every three years unless applicable law or regulation necessitates earlier review. The policies will apply from the date of Council approval, provisionally 31 May 2018. |
| Author: | Janice Trounson, Deputy Finance Director Financial Controls |
| Date: | 23 February 2018 |
| Senior Management/External Sponsor | Joanne Jones, Finance Director |
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1 Introduction

These guidelines are intended by Queen Mary University of London (the CollegeQMUL) to be helpful to all CollegeQMUL employees to explain the guiding principles relating to the conduct of business by the CollegeQMUL. The guidelines take into account the comments received during earlier discussions on the College policy for Academic staff acting in a personal capacity as Consultants, including the undertaking of Private Clinical Practice.

2 Responsibility of the CollegeQMUL

The CollegeQMUL is responsible for ensuring that these guidelines are brought to the attention of all employees and that processes and procedures are put in place for ensuring that they are effectively implemented.

3 Responsibility of the Secretary to the Council

The Secretary to the Council is responsible for providing advice (including obtaining legal advice if necessary) and assistance to staff and Heads of Schools/Institutes in complying with the CollegeQMUL’s code of business conduct.

4 Responsibility of Heads of Schools/Institutes

Heads of Schools/Institutes are responsible for ensuring that staffs in their Schools/Institutes comply with the CollegeQMUL’s code of business conduct.

Heads of Schools/Institutes are responsible to the President and Principal for matters relating to their own compliance with the CollegeQMUL’s code of business conduct.

5 Guiding principle in conduct of public business

It is a long established principle that public sector bodies, which include the CollegeQMUL, must be impartial and honest in the conduct of their business, and that employees should remain beyond suspicion. The Seven Principles identified by the Committee on Standards in Public Life are included under Appendix F.

It is an offence under the Bribery Act 2010 for an employee corruptly to accept any inducement or reward for doing, or refraining from doing anything, in his or her official capacity, or corruptly showing favour, or disfavour, in the handling of contracts (see Appendix B). It is also an offence under Money Laundering, Terrorist Funding and Transfer of Funding Regulations 2017 to derive a pecuniary benefit, directly or indirectly in the exchange of criminally obtained money or other assets for ‘clean’ money or other assets. There are specific policies on Anti Bribery and Anti Money Laundering.
Staff will need to be aware that a breach of the provisions of these Acts renders them liable to prosecution.

6 Principles of conduct

Staffs are expected to:

- Ensure that the interests of students and/or patients remains paramount at all times
- Ensure that research work is carried out to the highest achievable standards of integrity and accepted best research practice
- Be impartial and honest in the conduct of their official business
- Use the public funds entrusted to them to the best advantage of the CollegeQMUL, always ensuring value for money

It is also the responsibility of staff to ensure that they do not:

- Abuse their official position for personal gain or to benefit their family or friends
- Seek advantage or further private business or other interests, in the course of their official duties

7 Conflicts of interest

Notwithstanding the principles of conduct which staff, students and all involved with the CollegeQMUL in whatever way are expected to follow, there may be situations whereby a conflict of interest may occur.

A working definition of a conflict of interest is: ‘A conflict between the private interests and the official responsibilities of a person in a position of trust’.

The definition is not restricted to those circumstances where an individual actually betrays that trust. It can be just as damaging for the conflict to appear to exist.

The term ‘conflicts of interests’ as used in this document includes conflicts of duty, rights, obligations, interests and similar conflicts, whether as an individual or as a representative of the CollegeQMUL. Examples of situations in which this might apply are shown in Appendix D.

8 Implementing the guiding principles:

8.1 Casual gifts

Casual gifts offered by suppliers or others, e.g. at Christmas, should if possible be politely but firmly declined. Articles of low intrinsic value such as diaries or calendars need not necessarily be refused (to a level set by the Finance and Investment Committee, which is currently £25).
In cases of doubt staff should either consult their Head of School/Institute or politely decline acceptance.

If staffs receive gifts of value greater than the level currently set then they should inform their Head of School/Institute and record the details in the on-line gifts and hospitality register in accordance with the procedure in Appendix D.

8.2 Business Hospitality

Modest business hospitality of external visitors, provided it is normal and reasonable in the circumstances, e.g. lunches in the course of working visits, is acceptable.

Where hospitality is received from another organisation, and exceeds that usually expected in the course of a working visit (e.g. light refreshment or working lunch), staff should declare such hospitality or entertainment. An entry should be made in the gifts and hospitality register in accordance with the procedure in Appendix E. If in doubt they should seek the advice of their Head of School/Institute.

8.3 Declaration of interests

The CollegeQMUL needs to be aware of all cases where an employee, or his or her close relative or associate, has a controlling and/or significant beneficial interest in a business (including a private company, public sector organisation, other employer and/or voluntary organisation), or in any other activity or pursuit, which may compete for a contract to supply either goods or services to the CollegeQMUL.

For the purpose of this policy, a significant financial interest includes the following items received or held by the employee:

- Shares, share options, warrants and other securities and interests in a company (together referred to as ‘shares’)
- Payments for services e.g. consulting fees, directors fees, stipends or honoraria or payments in kind (together referred to as ‘consultancy fees’)
- Payments in respect of intellectual property, including licence fees, royalties and revenue sharing arrangements, except those made under the CollegeQMUL’s Intellectual Property policies

Certain minimum thresholds apply as follows:

- Where a financial interest consists of shares, it will be treated as excluded from the definition of significant financial interest where all the following conditions are met:
  - The shares are held in a listed company
  - The current value of the shares does not exceed £5,000 at any time
  - It can reasonably be demonstrated that there is no relationship or connection, explicit or implicit, between the acquisition of the shares and any research to be undertaken for the company

- Where a financial interest consists of consultancy fees, it will be treated as excluded from the definition if both the following conditions are met:
• The consultancy fee is less than £5,000 in any twelve month period
• It can be reasonably demonstrated that payment of any fee is not related to or contingent on the award of the proposed relationship between the CollegeQMUL and the company (e.g. a research contract or sponsored studentship)

All CollegeQMUL staff should therefore declare any interests to the CollegeQMUL, either on starting employment or on acquisition of the interest, in order that it may be known to, and in no way promoted to the detriment of the CollegeQMUL, staff, patients or students. See Appendix C about how to declare an interest.

The CollegeQMUL will ensure that:

• Staff are aware of their responsibility to declare relevant interests
• Registers of all such interests are maintained
• the policy, after consultation with staff, is in place. The policy includes consideration of disciplinary action to be taken if an employee fails to declare a relevant interest, or is found to have abused his or her official position or knowledge, for the purpose of self-benefit, or that of family or friends

8.4 Preferential treatment in private transactions

Individual staff must not seek or accept preferential rates or benefits in kind for private transactions carried out with companies, with which they have had, or may have, official dealings on behalf of the CollegeQMUL (this does not apply to concessionary agreements negotiated with companies, or by recognised staff interests, on behalf of all staff e.g. staff benefits schemes).

8.5 Contracts

All staff who are in contact with suppliers and contractors (including external consultants), and in particular those who are authorised to approve Purchase Orders, or place contracts for goods and services, are expected to adhere to professional standards as set out in the Code of Ethics of the Chartered Institute of Purchasing and Supply (CIPS), reproduced at Appendix A.

8.6 Favouritism in awarding contracts

Fair and open competition between prospective contractors or suppliers for CollegeQMUL contracts is a requirement of the Financial Regulations and of EC Directives on Public Purchasing for Works and Supplies. This means that:

• No private or voluntary organisation or company which may bid for CollegeQMUL business should be given the advantage over its competitors, such as advance notice of CollegeQMUL requirements. This applies to all potential contractors, whether or not there is a relationship between them and the CollegeQMUL, such as a long running series of previous contracts
• Each new contract should be awarded solely on merit, taking into account the requirements of the CollegeQMUL and the ability of the contractors to fulfil them
The CollegeQMUL will ensure that no special favour is shown to current or former employees or their close relatives or associates in awarding contracts to private or other businesses run by them or employing them in a senior or relevant managerial capacity. Contracts may be awarded to such businesses where they are won in fair competition against other tenders, but scrupulous care must be taken to ensure that the selection process is conducted impartially, and that staff that are known to have a relevant interest have no part in the selection process.

8.7 Warning to potential contractors

The CollegeQMUL will ensure that all invitations to potential contractors to tender for CollegeQMUL business include a notice warning tenderers of the consequences of engaging in any corrupt practices involving employees of public bodies.

8.8 Outside activities

Opportunities exist for academic staff to be engaged in a range of activities external to the CollegeQMUL. Many of these kinds of external activities, whether paid or unpaid, have the potential to contribute to the overall health, vitality and profile of the CollegeQMUL and are encouraged by the CollegeQMUL.

The CollegeQMUL draws a distinction between situations where an individual undertakes external activities and where a School/Institute is asked to participate in external activities.

This section of the code of business conduct applies only to the time in which the Member of Staff is acting in some way on behalf of the CollegeQMUL or on activities that arise from their role or position within the CollegeQMUL, whether in a full time, part time or honorary basis. Any other activities which a Member of Staff might wish to undertake are not covered by the code of business conduct.

This section of the code of business conduct does not seek to replace existing terms and conditions of service, for example the procedures governing fees for Consultant grade medical staff.

Some external activities are an extension of the CollegeQMUL’s academic role. Examples of this include refereeing peer review of articles and grant applications, acting as an external examiner or assessor for another University, serving on editorial boards, serving on international, national or professional committees, lecturing and broadcasting, advice to sponsors of research work.

Other external activities are more in the line of private consultancy work where a member of the academic staff is engaged on work in a personal capacity for an external organisation, typically an industrial or commercial firm, or in the case of the School of Medicine and Dentistry a private hospital or clinic, for private patients or for a medical or research charity or organisation. Examples might include; providing expert advice, acting as an expert witness, undertaking specialist studies, lecturing, report writing, non NHS clinical work, consultancies for the WHO or British Council or being a Director, Partner or shareholder in a commercial enterprise.

The CollegeQMUL has long recognised external activities as being not just of personal benefit but of benefit to the CollegeQMUL. However, there are measures that need to be put in place to ensure that the time and resources spent on external
activities does not conflict with, or otherwise impact on the discharge of CollegeQMUL related duties to student, patients, research or administration nor conflict with, or otherwise damage, any other CollegeQMUL interests.

The CollegeQMUL recognises that there is a difference between a member of staff’s personal private time, and the time which is expected by the CollegeQMUL to be used in the interests of students, patients, research or other CollegeQMUL activities.

Permission from the President and Principal may be given to Heads of Schools/Institutes to undertake outside activities. Heads of Schools/Institutes will similarly give approval to their staff to undertake outside activities. In both cases this is subject to the following conditions (this does not apply to occasional and limited work which may occur from time to time as described above, subject to a de minimis level of £5,000 per financial year):

- The President and Principal/Head of School/Institute being satisfied that such work will not interfere with the individual’s specified CollegeQMUL duties of teaching, research and administration (and, where relevant clinical duties)
- The President and Principal/Head of School/Institute being satisfied that such work will not conflict with, or damage, CollegeQMUL interests
- Consultancies, directorships and partnerships should not normally occupy more than a set number of working days within a specified period per year as agreed with the President and Principal/Head of School/Institute
- Where the Head of School/Institute withholds permission, then the member of staff may appeal to the President and Principal

Consultancy work undertaken in conjunction with the CollegeQMUL is excluded from the above as being already agreed with the President and Principal/Head of School/Institute concerned.

Academic staff undertaking outside work must:

- Confirm in writing, where appropriate, that they have personal insurance cover against professional negligence (in the case of private clinical practice, they must maintain full cover by a medical defence organisation)
- Make clear in all communications with external organisations that they are acting in a personal capacity and not as an employee of the CollegeQMUL
- Make appropriate payment to the CollegeQMUL for the use of CollegeQMUL resources including but not limited to: CollegeQMUL Secretarial facilities, administrative services, equipment, consumables and accommodation
- Make a full declaration, if requested, to the President and Principal/Head of School/Institute of the time spent on outside work in time that would ordinarily be devoted to students, patients, research or furthering the interests of the CollegeQMUL during the academic year

Members of Staff who undertake outside activities should follow the College’s Code of Practice for Outside Work that may be found on the Finance Procedures pages on the College intranet.

The CollegeQMUL recognises that Members of Staff who undertake outside activities may wish to retain some or all of their fees. Request should be made within 30 days of receipt of the monies, QMUL will disburse to the individual via payroll net of appropriate tax.
Fees may however be surrendered to the CollegeQMUL to support academic or research activities and if surrendered will be subject to the CollegeQMUL’s financial regulations and procedures. The Member of Staff may determine where the income from External Activities is allocated.

9 Appendix A: From the Chartered Institute of Purchasing and Supply – Code of Ethics (Courtesy of CIPS)

9.1 Introduction

The code set out below was approved by the Chartered Institute of Purchasing and Supply (CIPS) Council on 11 March 2009, and is binding on all CIPS members of ethics is as follows:

9.2 Precepts Code of Ethics

Ethical practice

• conduct all business relationships with respect, honesty and integrity, and avoid causing harm to others as a result of business decisions
• treat all stakeholders fairly and impartially, without discrimination or favour
• actively support and promote corporate social responsibility (CSR)
• avoid any business practices which might bring QMUL into disrepute.

Professionalism

• use procurement strategies to drive unethical practices from the supply chain
• ensure procurement decisions minimise any negative impact on human rights and the environment whilst endeavouring to maximise value and service levels
• put ethical policies and procedures in place, regularly monitored and updated, and ensure compliance
• mandate the education and training of all staff involved in sourcing, supplier selection and supplier management to professional standards
• practise due diligence in all business undertakings.

Accountability

• accept accountability and take ownership of business ethics
• foster a culture of leadership by example
• take steps to prevent, report and remedy unethical practices
• provide a safe environment for the reporting of unethical practices.

Members of the Chartered Institute of Purchasing and Supply should never use their authority or position for personal gain, and should:

• Maintain the highest standard of integrity in all business relationships
• Reject any business practice which might reasonably be deemed improper
• Enhance the proficiency and stature of the profession by acquiring and applying knowledge in the most appropriate way
• Foster the highest standards of professional competence amongst those for whom they are responsible
• Optimise the use of resources which they have influence over for the benefit of the employing organisation
• Comply with both the letter and the intent of:
The law of countries in which they practice
Agreed contractual obligations
Such guidance on professional practice as may be issued by the Institute from time to time

9.3 Guidance

In applying these precepts, members/staff should follow the guidance set out below:

- Declare any personal interest that might affect, or be seen by others to affect, a member’s impartiality in any matter relevant to their duties and to any decision making
- Ensure that information given in the course of employment is accurate
- Respect the confidentiality of information received. Never use such information for personal gain
- Strive for genuine, fair and transparent competition
- Not to accept inducements or gifts, other than items of small value, such as business diaries or calendars
- Declare the offer or acceptance of hospitality and never allow hospitality to influence a business decision
- Remain impartial in all business dealings and not be influenced by those with vested interests


The Bribery Act 2010 came into force on 1 July 2011, and applies to all individuals working at all levels and grades for the CollegeQMUL, including consultants, agency staff, volunteers, interns, agents, sponsors, or any other person associated with the CollegeQMUL wherever situated, and applies to both home and overseas.

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage which is illegal, unethical, a breach of trust or the improper performance of a contract. Corruption is the misuse of entrusted power for personal gain.

Acts of bribery or corruption are designed to influence the individual in the performance of their duty and induce them to act dishonestly. Inducements can take the form of gifts, fees, rewards, jobs, internships, examination grades, favours or other advantages.

It is an offence under the Bribery Act 2010 to:

- Promise or offer a bribe, or to give an advantage
• Request, agree to receive or accept a bribe, or accept an advantage
• Bribe a foreign public official
• In addition it is a corporate offence to consent to or connive in the commission of a bribery offence by anyone associated with the CollegeQMUL in respect of business carried out on behalf of the CollegeQMUL.

The CollegeQMUL has a zero tolerance policy towards bribery and corruption and is committed to the highest level of openness, integrity and accountability, both in letter and spirit. The penalties for these offences are severe and can mean up to 10 years imprisonment for the individuals responsible. In addition, if the CollegeQMUL is found to have connived in or consented to acts of corruption undertaken in its name, the penalties include personal liability for senior managers and an unlimited fine, together with significant reputational damage for the CollegeQMUL and could result in other Governmental-related consequences, such as debarment from public (government) tendering.

The CollegeQMUL Anti Bribery and Corruption Policy can be found on the Policy Zone

http://www.arcs.qmul.ac.uk/policy/index.html

11 Appendix C: Conflicts of Interest Policy

11.1 Introduction

Any member of staff with a real or implied interest is responsible for making a declaration of the interest prior to any decision being made, which they might be in a position to influence.

11.2 Application

The conflict of interest policy applies to all CollegeQMUL funds and to all activities of the CollegeQMUL.

11.3 Real or implied interest

An interest real or implied may arise in a number of ways, for example, a professional or personal interest in a supplier who is bidding for a contract.
An implied interest concerns matters, which are not clear cut, for example, where a member of staff has worked previously for a potential supplier and thus might possibly have information or to be in a position to influence unfairly a decision to award an order or contract.

**CollegeQMUL** staffs have a responsibility for informing their Head of School/Institute of any real or implied interest.

### 11.4 Declaration

The Head of School/Institute should consider the matters declared to him/her by the member of staff and determine whether the matter reported represented a real or implied interest.

If in the view of the Head of School/Institute, there is a real conflict of interest then the matter must be disclosed using **the CollegeQMUL**’s standard declaration of interest form as attached.

If the conflict affects a Head of School/Institute, then he/she should report the matter to the President and Principal who will then decide whether there is a conflict of interests.

The declaration form must be submitted to the Secretary to **the CollegeQMUL Registrar**.

The Secretary-Registrar to **the CollegeQMUL** will keep a register of all conflicts of interest declared.

### 11.5 Avoiding a conflict of interest

Members of **CollegeQMUL** staff who declare an interest must take appropriate action to ensure that the conflict of interest is avoided as far as possible (e.g. by resigning from a tender selection/assessment panel).

If it is not possible for a conflict of interest to be avoided (e.g. in the case of the purchase of a specialised item of equipment where the number of suppliers is limited), then the member of staff must not place him/herself in the position of sole responsibility for decision making.

### 11.6 Disciplinary action

**The CollegeQMUL**’s financial regulations allow for disciplinary action to be taken against **CollegeQMUL** Staff that knowingly fail to declare a conflict of interest.
## Conflict of Interest Declaration

*Please complete this form, hand to your Head of School/Institute who will pass it to the Secretary of the College QMUL.*

<table>
<thead>
<tr>
<th>Name: ___________________________</th>
<th>School/Institute: ___________________________</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title: ___________________________</td>
<td>Extension Number: ___________________________</td>
</tr>
</tbody>
</table>

Matter in which there is a conflict of interest:

<table>
<thead>
<tr>
<th>Signed: ___________________________</th>
<th>Dated: ___________________________</th>
</tr>
</thead>
</table>

Passed to Head of Department/Division on: ___________________________

Passed to the Secretary of the College QMUL on: ___________________________

Form received by the Secretary to the College QMUL’s Office on: ___________________________

Entered in Register on: ___________________________

Action taken to remove conflict of interest:

<table>
<thead>
<tr>
<th>Signed: ___________________________</th>
<th>Dated: ___________________________</th>
</tr>
</thead>
</table>
12 Appendix D: Gifts and Hospitality Policy

12.1 Introduction

Any member of staff who is offered a gift should normally try and refuse it unless it is of a value of less than that set by the Finance and Investment Committee from time to time.

Any member of staff who is offered hospitality in excess of what would normally be expected to be provided by the CollegeQMUL should normally try and refuse it.

Where gifts and hospitality cannot be avoided then the member of staff should be aware of the CollegeQMUL’s procedures on accepting them and declaring gifts and hospitality.

12.2 Application

The gifts and hospitality policy applies to all CollegeQMUL Council members, staff and individuals representing the CollegeQMUL in any way.

12.3 Gifts

Staff should be aware that it is CollegeQMUL policy not to accept gifts wherever possible. However, minor items of a value less than the level set by the Finance and Investment Committee from time to time (currently £25) can be accepted. Gifts accepted of a value above this level should be declared to the Head of School/Institute and recorded in the gifts and hospitality register which can be found on the CollegeQMUL intranet here:

https://webapps2.is.qmul.ac.uk/gifts/edit-gift.action?id=0&type=gift
https://webapps.is.qmul.ac.uk/gifts/index.action

The Head of School/Institute is responsible for ensuring that staff complete the Gifts and Hospitality register expediently. The information from the register will be passed on to the Director of Finance.

12.4 Hospitality

In normal circumstances it is accepted that staff would travel to other institutions and be provided with reasonable hospitality. This might include light refreshments, a working lunch or evening meal.

When travelling, staff may be reimbursed for the cost of an evening meal on production of a receipt in accordance with CollegeQMUL travel and subsistence expenses policies.

It is not however, acceptable that CollegeQMUL staffs are put in a position to be influenced into making a decision on behalf of the CollegeQMUL as a result of excessive hospitality.
In order to avoid having been seen to be influenced CollegeQMUL staff should be open about the hospitality that they receive, be it from a Supplier, another Institution, a Learned Society or another public sector body.

Openness involves the disclosure of invitations to attend functions, dinners or other events where the cost would exceed that normally expected to be provided by the CollegeQMUL.

Members of staff should ensure that their Head of School/Institute is aware of their being invited to such functions. The Head of School/Institute should consider whether the invitation would represent an undue influence and should be formally recorded in the CollegeQMUL’s gifts and hospitality register which can be found on the CollegeQMUL intranet here: https://webapps2.is.qmul.ac.uk/gifts/edit-gift.action?id=0&type=gift
https://webapps.is.qmul.ac.uk/gifts/index.action

If in the view of the Head of School/Institute, the hospitality on offer would represent an undue influence then he/she should ensure that the Secretary-Registrar to the CollegeQMUL is informed of the donor of the hospitality, the date and venue and who attended. This should be actioned through the completion of the Gifts and Hospitality register by the member of staff concerned. The information from the register will be passed on to the Director of Finance.

12.5 Honorariums and funding of travel arrangements

Under certain circumstances the granting of honorariums and/or the sponsorship of travel arrangements by suppliers, especially pharmaceutical or research orientated companies can be seen as an inducement to influence future decision making.

CollegeQMUL procedures require that all such honorariums and sponsorships should be disclosed fully to the Head of School/Institute and recorded in the Register of Gifts and Hospitality which can be found on the CollegeQMUL intranet here: https://webapps2.is.qmul.ac.uk/gifts/edit-gift.action?id=0&type=gift
https://webapps.is.qmul.ac.uk/gifts/index.action

12.6 Access to the Register

It is CollegeQMUL policy that the Register of Conflicts of Interest, and Register of Gifts and Hospitality are open for inspection by members of Council, Senior Management and staff of the CollegeQMUL.
13 Appendix E: Situations where a conflict of interest might arise

13.1 Conflict of educational mission

Collegium employees who are involved in educating, training, supervising or directing the work of students (“Education”), should ensure that the education they provide is appropriate to the Student.

The Collegium has a primary objective to educate and train students. Special care must be taken to ensure that the choice of a student’s research project and the direction of research is not, and does not appear to be influenced by, their supervisor’s financial interests.

Whilst the following refer to research students, many of the same points are also applicable to junior members of academic staff and research assistants.

Conflicts and their management

As a general rule the Collegium should not seek to enrol a student where:

- The student receives support from (i.e. is sponsored by) a company in which the proposed academic supervisor has a significant financial interest
- Where the results arising from, or IP generated in the course of the research project are related to the research activities of a company in which the supervisor has a significant financial interest

The Collegium believes that such situations are very difficult to monitor and that both the supervisor and the Collegium are vulnerable to allegations that the student’s research (and advice given on other issues) was directed in a way that was not in the student’s best interests.

One approach to the management of this conflict situation is to identify an alternative member of academic staff, with no significant financial interest, to act as the student’s supervisor.

However, it is also to the student’s advantage to be supervised by the member of staff with the greatest expertise and in a very few circumstances this may require that a student is supervised by a staff member with a significant financial interest in the sponsoring organisation. In these circumstances permission should be sought from the Head of School/Institute and the interest reported to the Secretary of the Collegium.

Increasingly students themselves start businesses whilst still at university. No member of staff, who is in a position to judge the quality of that student’s work, or to evaluate the student in any way, should take any financial stake or hold a formal position in such a student run, owned or controlled venture whilst the student is enrolled at the Collegium.
13.2 Conflict of research integrity

CollegeQMUL employees should maintain the highest standards of scientific integrity in the conduct of research.

The complete, objective and timely dissemination of new findings through publications is essential for research integrity. In this context, publication means any means of dissemination of research findings, including publication in a journal, information placed on the web, conference presentations or any other kind of scientific communication.

The potential for personal gain must not jeopardise nor appear to jeopardise the integrity of research activities, including the choice of research, its design, the interpretation of results, or the reporting of such results.

Conflicts and their management

Conflicts of interest can arise in a number of situations, for example:

- The researcher has a significant interest in the company sponsoring the research, this being exacerbated if the value of the researcher’s financial interest may be affected by the outcome of the research
- The researcher is an inventor of patents whose value might be affected by the outcome of the research
- The researcher holds a position in an enterprise that may wish to restrict or otherwise manage adverse research findings for commercial reasons

The preservation of research integrity must be largely dependant on self regulation through the promotion of a climate of high ethical standards. However, where a researcher has, or appears to have a conflict of interest (because for example he/she has a significant financial interest in a research sponsor), integrity in designing, conducting and reporting the research may be insufficient to protect the researcher and the CollegeQMUL from suspicion and consequent reputational damage. In such cases researchers should take special measures to put themselves beyond suspicion.

Where any member of staff has a conflict of interest they should:

- before the research project is accepted, inform their Head of School/Institute about the conflict, who may declare the interest to the Secretary of the CollegeQMUL
- play no part whatsoever in the negotiation of the financial terms of the research contract
- at the time of submission of a publication to a journal, comply with any conflict of interest policy of the relevant journal
- make a similar form of disclosure on all other forms of publication

Conflicts of this kind should be managed or avoided in a number of ways:

- By declining the opportunity to undertake the research
- By arranging to have the work carried out by an independent investigator
- By appointing a co-investigator who has control over the design and analysis of the research and its results
In the case of clinical research, researchers should also comply with the appropriate Ethics Committee.

## 13.3 Conflicts of financial interests

*CollegeQMUL* employees have a responsibility to respect and promote the financial interests of *the CollegeQMUL*. Staff and all associated with *the CollegeQMUL* should:

- Receive appropriate financial benefits from the provision of research, including consultancy and other services conducted through *the CollegeQMUL*
- Receive appropriate benefits from the commercialisation of its intellectual property
- Receive appropriate financial benefits from the use of other resources and assets, including equipment, technical staff, facilities
- Make responsible use of its financial resources in accordance with the financial regulations

### Conflicts and their management

A *CollegeQMUL* employee’s relationship with another organisation may create financial responsibilities to that organisation, which conflict with his or her financial responsibilities to *the CollegeQMUL*.

Such potential conflicts can be managed in a number of ways, including:

- Seeking formal permission from the Head of School/Institute, which would involve describing the nature of the relationship, and if necessary, it being reported to the Secretary of *the CollegeQMUL* in accordance with the Conflicts of Interest Policy (Appendix C)
- Contracts with external organisations, including their financial terms, being negotiated by the appropriate department, with the employee playing no part whatsoever in such negotiations
- Disclosing all inventions or other IP generated by an individual as part of (for example) a private consultancy
- Where *CollegeQMUL* employees provide consultancy services, providing them through *the CollegeQMUL*
- Where any goods or services are to purchased from a business in which an employee has any significant financial interest, then such interests should be declared to the Director of Resources

## 13.4 Conflicts of commitment/Loyalty

*CollegeQMUL* employees and individuals associated with *the CollegeQMUL* owe a primary commitment to *the CollegeQMUL*. Membership of Committees, Boards, Advisory Groups (e.g. External Appointments) infers an obligation (and sometimes a statutory duty) to act in the best interests of the external body. These duties may overlap with the duties and obligations as employees or representatives of *the CollegeQMUL*.

### Conflicts and their management
• **Rules Staff applying should seek HR advice before** the acceptance of external appointments and the conduct of non academic work, including limits on the amount of time **as specified in the Code of Practice for Outside Work committed.**

• The scheduling of commitments to such external bodies should be such that they do not result in significant rescheduling of lectures, tutorials or other supervisory or management duties.

In all circumstances the employee must disclose in writing and discuss any potential conflicts with their Head of School/Institute:

• Prior to the commencement of such a commitment
• When circumstances change in such a way that result in changes to that conflict (either as a result of changes to the employee’s responsibilities at the College QMUL, changes in the relationship between the external company and the College QMUL, or changes in the level of commitment to the external body). This can present a significant challenge since circumstances often change gradually and with little formality. It is nevertheless important, for the staff member’s own protection, that the Head of School/Institute is informed, in advance, of any changes to the relationship.
14 Appendix F: Seven Principles identified by the Committee on Standards in Public Life (formerly known as the Nolan Committee)

1. Selflessness

Holders of public office should act solely in terms of the public interest.

They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

2. Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

3. Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. Openness

Holders of public office should be as open as possible about all the decisions and actions that they take.

They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. Leadership

Holders of public office should promote and support these principles by leadership and example.
Fraud and Corruption Policy
and
Response Plan

Document Owner: Director of Finance
Date Last Approved by Council: 8 July 2014 – 12 April 2018
Document updated: 8 May 2014 – 21 February 2018
Reviewed by QMSE: 43 May 2014 – 27 February 2018
Reviewed by Audit and Risk Committee: 4 June 2014 – 8 March 2018
Recommended by Finance and Investment Committee: 17 June 2014 – 13 March 2018
Approved by Council: 8 July 2014 – 12 April 2018
Number of Years to Next Review: 3 Years – May 2017 – April 2021
1 Introduction

1.1 This document details the College’s Queen Mary University of London (QMUL) policy and response towards detected or suspected acts of fraud or corruption whether relating to employees, council members, contractors or external bodies. The CollegeQMUL has Financial Regulations and Financial Procedures, available on the QMUL intranet, which are designed to reduce the possibility of illegal acts occurring.

1.2 In addition to the Financial Regulations and the Fraud and Corruption Policy and Response Plan, the following policies are available on the QMUL intranet:

- Scheme of Delegation of Financial Authority
- Anti Bribery and Corruption
- Anti Money Laundering
- Standards of Business Conduct
- Public Interest Disclosure (Whistle-blowing)

1.3 The CollegeQMUL is a public sector organisation and one of the basic principles governing its actions is the proper use of public and donated monies.

2 Public Service Values

2.1 It is a long established principle that public sector bodies, which include the CollegeQMUL, must be impartial and honest in the conduct of their business, and that employees should remain beyond suspicion. The Seven Principles identified by the Committee on Standards in Public Life are included under Appendix B.

2.2 There are three fundamental public services values underpinning the work of the CollegeQMUL namely:

- Accountability: Everything done by those who work in the organisation must be able to withstand public and parliamentary scrutiny.
- Probity: Absolute honesty and integrity should be applied in dealing with students, patients, assets, staff, suppliers and customers.
- Openness: The CollegeQMUL’s activities should be sufficiently public and transparent to promote confidence between the CollegeQMUL and its students, staff and the public.
3  **The CollegeQMUL’s policy**

3.1 In accordance with the public service values the CollegeQMUL is absolutely committed to maintaining an honest, open and well-intentioned atmosphere within its working environment. It is therefore committed to the elimination of wrong doing within its sphere of operation and to the rigorous investigation and taking any action required in such cases.

3.2 The CollegeQMUL considers that this policy covers all persons involved with or working at the CollegeQMUL in whatever way, whether a full time or part time member of staff, a person with an honorary appointment, an undergraduate or postgraduate student or somebody visiting the CollegeQMUL for whatever reason.

3.3 The CollegeQMUL wishes to encourage anyone having reasonable suspicions of suspected or actual fraud or malpractice to report them to their Line Manager or the Director of Finance.

3.4 It is the CollegeQMUL’s policy that no employee should suffer as a result of reporting reasonably held suspicions. For the purposes of this policy “reasonably held suspicions” shall mean any suspicion other than those, which are groundless and raised maliciously.

4 **What is fraud?**

4.1 Fraud is a type of theft. To commit fraud is to deprive by deceit. The two essential elements of fraud are:

   a. deception or concealment
   b. deprival or loss to the victim

4.2 Deception or concealment may be achieved in many ways, the most common of which are:

   a. unauthorised input, alteration, destruction, suppression or misappropriation of data or other records;
   b. inappropriate transactions with suppliers (e.g. resulting from undisclosed favours received/expected);
   c. deliberate misrepresentation of facts or manipulation of management information or company records including personal expenses.

4.3 Deprival or loss may arise indirectly from the deception as well as directly, and occurs:

   a. if the person deceived is deprived of funds or assets; or
   b. if the person deceived fails to receive funds or assets which would, but for the fraud, have been received.

4.4 This policy covers all fraud committed by members of the CollegeQMUL in their capacity as members, and in particular:

   a. fraud against the CollegeQMUL; and
   b. fraud against third parties in their dealings with the CollegeQMUL

4.5 This policy also covers all fraud committed against the CollegeQMUL by persons other than members of the CollegeQMUL.
4.6 Fraud is distinct from accidental error or negligence. Fraud may involve one or several people, from either within or outside of an organisation, in collusion with each other. Fraud may also include elements of corruption.

5 What is corruption?

5.1 The dishonest offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person.

5.2 Corruption involves two or more people.

5.3 The CollegeQMUL Anti Bribery and Corruption Policy is available on the QMUL intranet.

6 Computer misuse

6.1 Fraud or corruption can be, and increasingly is being, carried out using computers. Deception by altering computer records or creating false records is just as much fraud as the falsification of paper documents and signatures.

6.2 Misuse of computers and their programs, whether fraudulent or not, is specifically covered by the Computer Misuse Act 1990. A person is guilty of an offence if they access a computer, program or data which they are not authorised to access and/or they cause unauthorised modification to the contents of the computer such that the operation or access to the computer program is hindered. Unauthorised access with intent to commit a serious criminal offence, including fraud, is also an offence under the Act and carries a greater penalty. An offence is only committed if the person has intent and knowledge at the time of the act.

6.3 In many cases, falsification of computer records will be both fraud and computer misuse.

7 Confidentiality

7.1 Employees must not disclose any information about any suspected fraud or malpractice to anyone except their Line Manager, the Director of Finance and any other person nominated by the Director of Finance.

7.2 Employees must not make available any documentation concerning the case under review to anybody not falling within paragraph 7.1. If information must be released the express permission of the President and Principal or the Director of Finance is required.

7.3 If the matter has been referred to the Police, documents must only be released to the Police via the Director of Finance.

7.4 Under no circumstances should an employee communicate with the press, radio or to another third party about a suspected act of fraud or corruption or [a similar] irregularity.

7.5 The CollegeQMUL has a policy on Whistleblowing, which offers guidance to College staff on the handling of allegations made by staff members relating to the running of the CollegeQMUL or the activities of colleagues within the institution (referred to as 'whistleblowing'). The policy is based on the Public Interest Disclosure Act 1998, which sets out in detail when 'disclosures' by staff are protected by the Act. A copy of the Public Disclosure (Whistle-blowing) Policy is available on the QMUL intranet.
8 Responsibilities

8.1 The CollegeQMUL is responsible for:

- developing and maintaining effective, visible controls to prevent fraud e.g. separation of duties, proper authorisation of expenditure
- producing a clearly defined and publicised Fraud & Corruption Policy & Response Plan, which applies to everybody in the CollegeQMUL and encourages open reporting of concerns
- taking appropriate legal and or disciplinary action against perpetrators of fraud and taking disciplinary action against supervisors where supervisory failures have contributed to the commission of fraud.

8.2 CollegeQMUL Managers are responsible for:

- identifying the risks to which systems and procedures are exposed
- developing and maintaining effective controls to prevent and detect fraud
- ensuring that controls are reviewed, updated and complied with.

8.3 CollegeQMUL staff are responsible for:

- acting with propriety in all CollegeQMUL activities. This includes the handling and use of any funds associated with the CollegeQMUL, dealing with Contractors or Suppliers or any other aspect of CollegeQMUL business.
- ensuring that they do not receive gifts, hospitality or benefits of any kind from a third party, which might be seen to compromise their decision making or integrity or the integrity of the CollegeQMUL. The CollegeQMUL Standards of Business Conduct are available on the QMUL intranet – refer to Appendix D – Gifts and Hospitality Policy.
- communicating their concerns to their Line Manager or the Director of Finance.
- ensuring confidentiality about the matter under review.

8.4 The Director of Finance is responsible for directing and controlling fraud investigations. He/she may delegate this to Internal Audit, External Audit or some other suitable person.

9 The Fraud Response Plan

9.1 Initial discussions

9.1.1 An employee should discuss his/her suspicions as soon as possible with their Line Manager and the Director of Finance in the first instance.

9.1.2 This assumes that the Line Manager/Director of Finance is not the subject of any allegations. He/she must inform the Director of Finance of any information or documentary evidence they hold supporting their suspicions as soon as possible. If the Line Manager is the subject of any allegations then the employee should go directly to the Director of Finance.
9.1.3 If the suspicion involves another Director, a Head of Department/School/Institute or a member of the President and Principal’s Steering Queen Mary Senior Executive Group then the employee must contact the Director of Finance. If the allegation involves the Director of Finance, then the President and Principal should be informed. A flowchart is included as Appendix A to illustrate the reporting process. In the absence of the Director of Finance, arrangements for another member of staff to act as a deputy will be made.

9.2 Log of incidents

9.2.1 The Director of Finance will keep a log of all reported suspicions including those dismissed as groundless. It will contain details of actions taken and conclusions reached. Details of all entries in the log will be forwarded to the President and Principal at least quarterly. The Audit and Risk Committee will review the log at least annually.

9.2.2 Significant matters will be discussed by the Audit and Risk Committee who will report such information as is necessary to retain Confidentiality to Council.

9.3 Immediate action

9.3.1 Where it would not prejudice any subsequent investigation, whether internal or external, the Director of Finance must take immediate action to end any losses and remedy any control weaknesses.

9.3.2 This might involve:

• the suspension of the employee(s) at the start of the investigation;

• securing the employee(s) desk contents and office, preferably with the employee present. They may wish to be represented by a Line Manager or Union Official;

• recovering the employee(s) office and desk keys;

• ensuring that the employee(s), if suspended, leaves the premises immediately and does not have the opportunity to remove/destroy any potential evidence;

• securing accounting, policy and other records including computer files and back up relevant computer data;

• cancelling the employee(s) network and other systems access rights;

• checking all current and future payments to the employee(s) during the course of the review;

• advising work colleagues of the suspension of the individual(s) and that no contact should be made with him/her/them until further notice. All contact should be through the Director of Finance.
9.3.3 Any College QMUL assets in the possession of the employee(s) should be retrieved as soon as possible.

9.3.4 If it is suspected that a computer has been used or tampered with, then instructions must be given to preserve the computer and its data.

9.4 Control improvement

9.4.1 In committing fraud against the College QMUL it is likely that existing weaknesses in existing controls will have been exploited. In order to prevent recurrence, it is essential that these weaknesses are fully understood by the College QMUL and addressed. The following actions must be taken by the Director of Finance:

- isolate the underlying control weaknesses. Each weakness should be quantified in terms of its contribution to the fraud and the risk of recurrence if not addressed;
- agree effective solutions with the appropriate manager; and
- document the above in a report and action plan.

9.5 Informing HEFCE, Audit and the Police

9.5.1 The Director of Finance will consider the need to inform HEFCE, Internal and External Audit, Police and other bodies.

9.5.2 The Memorandum of assurance and accountability between HEFCE and institutions HEFCE Audit Code of Practice (HEFCE 98/28 paragraphs 14-15) requires HEIs to notify the HEFCE Chief Executive, auditors and chairs of audit committee and Council of any material adverse change including significant fraud (> £25k), or impropriety or major accounting breakdown attempted, suspected or actual irregularity where:

- the sums involved are, or potentially are, in excess of £10,000;
- the particulars of the fraud are novel, unusual or complex; and
- there is likely to be public interest because of the nature of the fraud or the people concerned.

9.5.3 HEFCE’s Audit Service will not investigate a fraud or irregularity in an individual HEI, but they can be consulted for advice and will in the case of novel, unusual or complex frauds seek to ensure that similar instances do not happen in other HEIs.

9.5.4 The Director of Finance may inform Internal and External Audit of any suspected fraud or irregularity and the actions taken to investigate the matter and to remedy any control weaknesses.

The Director of Finance may instigate an internal investigation of the matter or refer the matter directly to the Police. Properly organised investigations conducted by members of staff or auditors with a working knowledge of the College QMUL’s processes, would be of great assistance to any subsequent police enquiry. Liaison with the Police may begin as soon as the issues involved are identified. The Director of Finance will ensure that lines of communication are established with the Police.
9.5.5 It should be noted that the Police’s priorities and decision to take up a case differ from that of the CollegeQMUL, with obtaining sufficient reliable evidence to obtain a criminal prosecution being their main objective rather than recovery of any losses to the CollegeQMUL.

9.5.6 The decision to involve the Police will include the following considerations:

- prosecution of the perpetrator(s) through criminal action. A successful prosecution can often assist recoveries via the civil court;
- potential seriousness of the malpractice involved;
- whether the malpractice is fraudulent;
- amount of available reliable evidence;
- involvement of organisations outside of the CollegeQMUL;
- the need to take deterrent action; and
- adverse publicity.

9.6 Involvement of a member of CollegeQMUL Staff

9.6.1 When the suspected fraud or irregularity involves an employee or employees, then the Director of Human Resources must be involved by the Director of Finance at the earliest opportunity. Consideration should be given to suspension of the employee(s), with pay, at the start of the investigation. This is for the protection of the employee(s) as much as to ensure objectivity during the course of any subsequent investigation.

9.7 Disciplinary action

9.7.1 The Director of Human Resources must be involved with any case involving a member of staff. The CollegeQMUL’s Personnel Policies must be followed during the course of any disciplinary actions. Disciplinary action may be undertaken by the CollegeQMUL whether or not any prosecution has or is due to take place.

9.7.2 A copy of the relevant College Ordinance is attached as Appendix C, which is also available on the QMUL intranet.

9.8 Internal investigations

9.8.1 Any internal investigation should be carried out with great care and with due consideration of the possibility of future criminal proceedings. An internal investigation may be carried out by CollegeQMUL Staff, Internal Audit or consultants with relevant experience. Advice may be obtained from HEFCE, External and Internal Audit as to the selection of an appropriate person or organisation to undertake an internal investigation.

9.8.2 In order to maximise the effectiveness of fraud investigations, it is crucial that clear objectives are set at the earliest opportunity. Whilst these are driven to an extent by the Fraud and Corruption Policy and Response Plan, each fraud will require a unique response. At the highest level the objectives will be one, or any combination, of the following:

a. to establish the facts;
b. to prevent repetition and deter others; and
c. the recovery of funds.

9.9 External bodies

9.9.1 If the suspected fraud or malpractice concerns an external body such as a supplier, partner organisation or funding body then the procedures outlined above should be followed excluding the steps of informing the Director of Human Resources.

9.9.2 In the case of contractors, the CollegeQMUL may have a clause in the agreement between the CollegeQMUL and the Contractor allowing for the examination of records supporting payments claimed on behalf of the contractor, for example - time records, expense records and so on. The Director of Finance may decide whether the CollegeQMUL should ask under the terms of any agreement to inspect these records.

9.9.3 Following the investigation, the Director of Finance will determine whether or not he/she wishes to continue trading or otherwise with the external body concerned.

9.10 Recovery of loss

9.10.1 The possibility of recovering a loss must be considered as part of any investigation, including taking civil action where appropriate. Where recovering a loss is likely to require a civil action, it will be necessary to seek legal advice. CollegeQMUL procedures for taking legal advice should be followed.

9.11 Review events with Police

9.11.1 If the case has been handed to the Police, then the Director of Finance will maintain close liaison with the police to monitor the progress of the case, to keep the CollegeQMUL apprised of any issues arising and ensure that any necessary support required is available.
10 Appendix A – Procedure for reporting possible fraud or malpractice

Employee becomes aware of possible fraud or malpractice

If suspicion concerns Line Manager

- Employee informs Director of Finance
  - Director of Finance records suspicion in log
    - Police informed and undertake investigation
      - Investigation results in formal charges and / or recovery of losses or no charges

If suspicion involves Head of Department / School / Institute or member of PSG

- Director of Human Resources is informed
- Disciplinary action taken depending on outcome of investigation

If suspicion involves Director of Finance

- Employee informs President and Principal
  - Record kept of suspicions
  - President and Principal determines how suspicions should be investigated and appropriate action taken
    - Principal and President commissions an internal investigation
      - Investigation results in formal charges and / or recovery of losses or no charges
11 Appendix B: Seven Principles identified by the Committee on Standards in Public Life (formerly known as the Nolan Committee)

1. **Selflessness**
   Holders of public office should act solely in terms of the public interest.
   They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

2. **Integrity**
   Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

3. **Objectivity**
   In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. **Accountability**
   Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. **Openness**
   Holders of public office should be as open as possible about all the decisions and actions that they take.
   They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. **Honesty**
   Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. **Leadership**
   Holders of public office should promote and support these principles by leadership and example.
12 Appendix C – Ordinance B – Staff of the College

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Section A: General Principles

A1 This Ordinance establishes the framework of procedures relating to dismissal, discipline and grievance procedures, and related matters. Detailed procedures are laid down in associated Codes of Practice or Policies, the approval of which shall be the responsibility of Council, following negotiations with the recognised trade unions.

A2 The Council has resolved that, as far as possible, all members of staff of the College should enjoy equal terms and conditions of service that should reflect best practice in employment law.

A3 The Council has therefore passed this Ordinance to apply to all staff that have a contract of employment with the College.

Section B—Definitions

B1 For the purpose of ensuring Academic Freedom “Academic members of staff” shall include all staff whose contract of employment requires them to be personally responsible for the intellectual content of elements of teaching and/or research at the College.

B2 For all other employment purposes, Academic Staff shall include members of staff whose contract of employment shows that they are employed on “Academic” or “Research and Analogous” terms and conditions.

B3 “Academic-related members of staff” shall include all staff whose contract of employment shows that they are employed on “Professional” terms and conditions. [For the avoidance of doubt, staff employed in Professional Grades 1 to 4 on Support Staff terms and conditions are not counted as academic-related staff; but staff employed at Professional Grade 4 on academic-related terms and conditions before 1st January 2008 will be employed on “Professional” terms and conditions and will be counted as academic-related staff.]

B4 “Support staff” shall include all staff whose contract of employment shows that they are employed on “Support Staff”, “Nursery Staff” or “Security Staff” terms and conditions. [For the avoidance of doubt, Technical Staff on Technical Grade 5 and above are
counted as Support Staff and not as academic-related staff.]

B5  “Heads of School, Institute, and Department” shall include the heads of those
organisational units specified in the Ordinances Part A and those Officers as shall be
determined from time to time by the Principal.

B6  “Member(s) of staff” shall include those staff referred to in A2 and A3 of the General
Principles.

B7  “The Principal” refers to the Principal or any officer of the College delegated by him to
undertake any or all of the Principal’s functions as specified in this Ordinance or its
related Codes of Practice.

B8  For the purpose of these Ordinances, “dismissal” shall have the same meaning as in
section 95 of the Employment Rights Act 1996.

B9  Dismissal by reason of redundancy for the purpose of Section E and H of these
Ordinances has the same meaning as in section 139 of the Employment Rights Act
1996.

Section C – Construction and Application

C1  These Ordinances will override any provision in any contract, term or condition of
employment which is inconsistent with them, whether dated before or after the
commencement of these Ordinances, but—

[1] these Ordinances shall not affect the validity of any compromise agreement under
section 203 of the Employment Rights Act 1996, or any similar waiver or agreement
permitted by law; and

[2] these Ordinances shall not preclude any member of staff deciding or agreeing to
terminate employment with the College, whether by voluntary severance, early
retirement or otherwise, on whatever terms have been agreed.

C2  None of the Ordinances on Dismissal in sections E to J shall apply to removal from an
appointment as Vice-Principal, Dean or Head of School or Institute, or such other posts
as have been designated by the Council, to which a member of staff has been elected
or appointed and which is distinct from that individual’s substantive post, where
dismissal from the substantive post is not contemplated. Removal from such an
appointment will be handled under Section K.

C3  These Ordinances shall not apply to the Principal.

C4  Where, in any proceedings under these Ordinances, a member of the Academic or the
Academic-related Staff claims that action has been taken against them because that
member of staff questioned or tested received wisdom or put forward new ideas or
controversial opinions, that claim shall be considered by a panel constituted as
prescribed in Paragraph 3 of Schedule 1 to these Ordinances, and, if the claim is
upheld, the panel dealing with the matter shall cancel that action and it shall be treated
as invalid.

C5  Where there is any issue as to the meaning of “academic freedom” in any proceedings
under these Ordinances, regard shall be had to Sections VI and VII of the
Recommendation concerning the Status of Higher-Education Teaching Personnel
adopted by the General Conference of the United Nations Educational, Scientific and
C6—Any reference in these Ordinances to a provision in an Act of Parliament shall be taken to be a reference to that provision as it may have been amended or superseded from time to time.

Section D – Dismissal; and the Constitution of Hearing, Appeal and Grievance Panels

D1—A member of staff may be dismissed if that dismissal is for a reason set out in section 98 of the Employment Rights Act 1996.

For Members of the Academic and Academic-related Staff

D2—Any panel established pursuant to the procedures in these Ordinances shall be constituted in accordance with Schedule S of these Ordinances.

D3—At any panel established pursuant to clause E6, F5[c] and F19; G6 and G7; J4 and J5; and N5 of this Ordinance, the member of staff shall be entitled to be represented or assisted by any person.

D4—Any panel established pursuant to clause E6, F5[c] and F19; G6 and G7; J4 and J5; and N5 of this Ordinance shall give a reasoned decision in writing which shall be provided to the member of staff and reported to the Council.

For Members of the Support Staff

D5—For staff other than those designated as Academic or Academic-related Staff, any panel established pursuant to the procedures in these Ordinances shall be constituted in accordance with Schedule 1 to these Ordinances.

Section E – Dismissal by Reason of Redundancy

Application

E1—This section shall apply to all members of staff other than:

[a] staff affected by the non-renewal of a fixed-term contract, who are covered by Section H.

E2—This section shall apply only to redundancies proposed to take effect before the end date specified in a member of staff’s contract of employment.

Procedure for dismissal by reason of redundancy

E3—Proposals that may result in dismissals by reason of redundancy will be dealt with in accordance with Queen Mary’s Policy on Managing Change and Conserving Employment.

Section F: Disciplinary Procedures for Members of Staff

Grounds for disciplinary action

F1—Disciplinary action may be taken, and where found to be appropriate a penalty imposed, in respect of the following:

[a] conduct amounting to a criminal offence, whether or not there has been a prosecution and conviction, of a kind that is judged in all the circumstances to be relevant to the member of staff’s employment by the College. ‘Relevant’ means that the alleged offence either
[1] took place whilst the employee was engaged on College business, or
[2] was of a nature such as to bring the College into disrepute, or to render the
employee unsuitable for his/her current employment.

[b] failure, refusal, neglect or inability to perform some or all of the duties or to comply
with some or all of the conditions attaching to the post, or performing those duties
or complying with those conditions in an unsatisfactory or inadequate manner;

[c] conduct of a kind judged to be inappropriate or unacceptable on the part of the
holder of the post held by the member of staff, such as (but not confined to) the
following:

[1] breach of any obligation or duty arising under any of the College’s
regulations regarding financial matters, harassment, equal opportunities,
public interest disclosure, health and safety, or data protection or any other
rules, regulations or codes binding on the member of staff;

[2] wilful or reckless damage to, or improper use of College facilities, premises,
property or equipment;

[3] disruption of, or improper interference with, the activities of the College or of
any employee, student, Council member or visitor (other than any lawful
industrial action);

[4] violent, indecent, disorderly, threatening abusive, insulting or harassing
behaviour or language (whether written, spoken or in any other form);

[5] fraud, deceit, deception or dishonesty in relation to the College or any
related activity, including research and examining;

[6] action likely to cause injury or impair safety;

[7] divulging information or material received in confidence (unless the
disclosure is permitted under the Public Interest Disclosure Act 1998 or in
accordance with the College’s Public Interest Disclosure Procedure).

Disciplinary Procedures

F2 — The Principal shall be responsible for discipline generally within the College. Heads of
School, Institute or Departments shall have delegated authority from the Principal to
deal with less serious matters.

ACAS Code of Practice

F3 — In drawing up the procedures, and in any regulations made or action taken thereunder,
regard shall be had to the relevant paragraphs of the statutory Code of Practice on
Discipline and Grievance issued by the Advisory Conciliation and Arbitration Service
(ACAS) and brought into effect under section 199 of the Trade Union and Labour
Relations (Consolidation) Act 1992 by order of the Secretary of State on 6 April 2009.

Procedure for considering less serious matters

F4 — The procedure shall provide for allegations of less serious matters (for example,
unsatisfactory timekeeping) to be dealt with by the Head of School, Institute or
Department in accordance with the relevant Code of Practice. After examination of all
relevant facts, the Head of School, Institute or Department may either dismiss the allegations (in which case the matter shall be regarded as closed) or, if the allegations are substantiated, give the member of staff a warning. The Code of Practice shall specify the procedures to be followed in each case, and the period after which a warning will be regarded as spent. A member of staff may appeal against a warning in writing in accordance with the relevant Code of Practice.

Procedure for considering serious or repeated disciplinary offences

F5—Complaints of serious disciplinary offences shall be reported in writing to the Director of Human Resources. The Director of Human Resources shall arrange for the complaint to be investigated, normally within ten working days. As a result of the investigation, the Director of Human Resources shall recommend one of the following courses of action to the Principal:

[a] the complaint should be dismissed, in which case the matter shall be regarded as closed;

[b] the complaint should be referred to the appropriate Head of School, Institute or Department to be considered under the Code of Practice for less serious matters;

[c] the complaint should be referred for a hearing by a Disciplinary Panel.

F6—Where the alleged offence is the subject of an investigation by the police, an NHS Trust or another employer, the Principal may suspend further disciplinary hearing pending the outcome of the other investigation(s) and any subsequent action by the agencies concerned.

F7—The Principal shall have authority to suspend a member of staff on full pay pending a disciplinary hearing. Suspension should only be used where the allegations, if proven, would be likely to lead to dismissal, or where the nature of the alleged disciplinary offence is such as to make it impracticable for the member of staff to perform his/her duties. A decision to suspend shall be subject to review where it has continued for four weeks in accordance with the Code of Practice.

F8—The fact that a member of staff against whom disciplinary action is brought may be suffering from a medical condition shall not of itself preclude the College proceeding with a hearing under this section of the Ordinance.

Hearing before the Disciplinary Panel

F9—The Panel shall be constituted in accordance with Schedule 1.

F10—The proceedings of the Panel shall follow the relevant Code of Practice. The member of staff against whom the complaint has been made shall have been informed of the complaint, may be accompanied by another person; shall be entitled to be present, to hear the evidence, to call relevant witnesses, and to examine and cross-examine witnesses (but provision may be made for witnesses in appropriate cases to give their evidence behind a screen or from another room or place and for questions to be asked only by a representative).

F11—At the end of the hearing, the Panel may dismiss the allegations, in which case the matter shall be closed. If the Panel finds the allegations to be substantiated, it shall impose an appropriate penalty on the member of staff which may be one or more of the following penalties:

[a] oral warning
[b] written warning

c] final warning

d] payment of compensation not exceeding two months of the member of staff’s salary

e] transfer to another job

f] dismissal with notice

g] dismissal without notice

[h] designating a member of staff’s conduct as constituting “gross misconduct” such as to merit summary dismissal without notice.

F12 For staff appointed or promoted after September 2005, the panel may also consider imposing one or more of the following penalties:

[a] withholding any forthcoming increment in salary,

[b] suspension of the employee without pay (for up to three months),

[c] reduction in grade and/or loss of title.

F13 When imposing any financial penalty, the Panel shall have regard to the member of staff’s personal circumstances.

F14 The Panel’s decision shall be notified in writing to the member of staff within five working days of the hearing.

Decisions to Dismiss

F15 The Director of Human Resources or other designated officer shall give effect to a decision of a panel that a member of staff should be dismissed:

[a] where the panel has designated the conduct as “gross misconduct” such as to merit summary dismissal, the Director of Human Resources shall forthwith dismiss the member of staff;

[b] in all other cases, the Director of Human Resources shall issue the notice of dismissal or dismiss together with payment in lieu of notice.

F16 Any dismissal or notice of dismissal shall be cancelled, withdrawn or modified if an appeal panel decides that the member of staff should not be dismissed or should only be dismissed with notice.

Disciplinary Appeal

F17 A member of staff may appeal in writing to an Appeal Panel within ten working days of the receipt of the decision on one or more of the following grounds

[a] that the procedure was applied incorrectly;

[b] that the findings of the Panel were unfair;
[c] that the penalty was too severe in relation to the offence;

F18 The member of staff may offer new evidence which has come to light in support of any of the grounds of appeal.

F19 The Appeal Panel shall be constituted in accordance with Schedule 1 of this Ordinance.

F20 The Appeal Panel shall be concerned solely with the grounds on which the appeal is made, and shall follow the relevant Code of Practice. An appeal shall not take the form of a re-hearing of the evidence and witnesses may be called only with the panel’s permission.

F21 Following the hearing, the Panel may:

[a] reject the appeal, in which case the original decision shall stand;

[b] uphold the appeal and/or reduce the level of any penalty.

Relationship with Section G

F22 Where it emerges that the member of staff’s conduct or performance may have been wholly or partly attributable to a medical condition, any proceedings under this section shall be valid even if they could have been brought under Section G, and a member of staff may, subject to the Equality Act 2010, be subject to penalty, including dismissal, under this Section notwithstanding the fact that his or her conduct may have been wholly or partly attributable to a medical condition.

Section G: Removal for Incapacity on Health Grounds

G1 The procedure for dealing with staff, including dismissal, because of incapacity on health grounds, whether physical or mental shall provide for a hearing by a panel, with a right of appeal to another panel, and both panels shall contain an appropriately medically qualified person.

G2 No member of staff may be dismissed whether under Sections F and G of this Ordinance where that dismissal would contravene the Equality Act 2010.

G3 Concern about a member of staff’s ability to perform his/her duties to an appropriate standard on health grounds shall initially be addressed by the Head of School, Institute or Department, informally and then formally, according to the relevant Code of Practice.

G4 Where the procedures referred to in paragraph G3 have failed to address the problem, the Head of School, Institute or Department shall make a confidential report to the Principal requesting that a Panel be established to determine whether there is a case for removal for incapacity on health grounds.

G5 The Principal may also initiate action under this section of the Ordinance without the recommendation of a Head of School, Institute or Department.

G6 The Panel shall be constituted in accordance with Schedule 1 of this Ordinance, except that at least one member shall be appropriately medically qualified as recommended by the Occupational Health Service. The Panel shall conduct the hearing in accordance with the relevant Code of Practice, which shall provide for the member of staff to make a submission both orally and in writing, and to appear before the Panel, accompanied by another person. The Panel shall give its decision in writing within five working days of the hearing.
G7  If the Panel supports the recommendation for dismissal, the member of staff may appeal within ten working days of the receipt of the decision of the Panel, to an Appeal Panel constituted in accordance with Schedule 1 of this Ordinance. The Principal may extend this time limit in reasonable circumstances. The Appeal Panel shall conduct the hearing in accordance with the relevant Code of Practice. The decision of the Appeal Panel shall be final.

G8  The fact that a Panel has not supported the removal of a member of staff on health grounds shall not prevent the College initiating subsequent disciplinary action in relation to incidents that have formed part of the enquiry under this section of the Ordinance.

Section H: Fixed-term Contracts

H1  The policy of Queen Mary is to appoint staff on appropriate contracts. This will be a “permanent” contract unless a limited-term contract can be justified for one of the reasons set out below. Fixed-term contracts of any duration, including those of under a year, are appropriate only if:

[a] there is no reasonable prospect of funding being renewed or becoming available.

[b] the post requires input from specialist practitioners whose expertise or experience is not part of the core competencies required within the College, School, Institute or Department. The expression “core competencies” refers to the attributes, skills, experience or capacity of the employee rather than core subject areas.

[c] the post is appropriate to cover staff absence as appropriate (e.g. parental and adoptive leave, long-term sickness, sabbatical leave or secondment).

[d] the post is to provide interim cover while arrangements are being made to appoint on a permanent basis (e.g. the effect of an unexpected resignation; a skills shortage or a delay in making a permanent appointment can be worked around by making an interim appointment to provide short-term cover)

[e] the contract includes a specific and finite training, developmental or educational component, such as secondment, career development opportunity, studentship, or apprenticeship, etc.

[f] the student or other business demand can be clearly demonstrated as particularly uncertain.

[g] the post is to cover a peak in demand due, for example, to seasonal fluctuations or the requirements of a particular stage in a project.

[h] the post is one in which the College offers work to a succession of its current students on the grounds that this will offer valuable work experience; or support the student during their studies; or is convenient for the College.

H2  Where a fixed-term contract is due to terminate and the employee's period of continuous employment is greater than one year, the relevant Head of School, Institute or Department shall consider whether the contract should be renewed or extended, or a contract for an indefinite period offered. This consideration shall include consultation with the appropriate representatives, in accordance with the relevant Code of Practice.

H3  Any decision not to renew or extend or offer a contract of indefinite duration must be
justified in respect of one or more of the following considerations:

[a] the availability of funding for the post (e.g., the termination of the funding for a project), or the financial situation;

[b] the individual’s performance, following appropriate warnings and counselling (as defined in the relevant Code of Practice);

[c] the need for the post or the duties attaching to the post (e.g., the project for which the post was created has been completed);

[d] the nature and character of the post (e.g., the post was providing cover for a member of staff on maternity leave who has now returned);

[e] the desirability of making the post permanent and appointing to it after open competition (e.g., to meet equal opportunities requirements).

H4 Any member of staff whose fixed term contract is not renewed or extended on termination, or who is not offered a contract of indefinite duration, shall be entitled to be provided with full reasons for the decision in writing. The member may ask for the decision to be reviewed by a Panel constituted in accordance with Schedule 1 of this Ordinance.

Section I: Probationary Appointments

I1 This section shall also apply to members of staff who have been appointed subject to review after a period of probationary service.

I2 The procedure shall provide that staff on probation shall be reviewed and shall include provision for non-confirmation in post at the end of the probationary period if their performance is found to be deficient or for any other substantial reason or reasons they are judged unsuitable to be confirmed in post.

I3 The review referred to in paragraph I2 may encompass matters which, in other circumstances, would fall to be dealt with under other sections E, F or G of this Ordinance.

I4 A member of staff who has not been confirmed in post under this Section shall be given full reasons for the decision and shall be entitled to have the decision reviewed by a panel.

I5 The panel, whose decision shall be final, shall consider whether the reasons advanced in support of the decision are reasonable and supportable.

I6 A member of staff whose appointment at the College is subject to probation shall be notified:

[a] in the letter of appointment, the period of probation and the name of a probationary adviser;

[b] within one month of taking up appointment, the arrangements for probation, including the intervals at which interim assessments will be conducted.

I7 Probationary arrangements shall follow the relevant Code of Practice, which shall include procedures for advising a probationer on his/her performance, and providing guidance and instruction in the event that the performance is unsatisfactory.
I8—At or before the end of the probationary period, the appointment of the member of staff shall be confirmed unless his/her performance has been judged to be unsatisfactory by two senior members of the School, Institute or Department (normally the probation adviser and the Head of School, Institute or Department).

I9—If the member of staff’s performance is judged not to be satisfactory, the period of probation may be extended or the appointment terminated. The member of staff shall be given the reason in writing at least one month before the end of the period of probation. The member of staff may appeal in accordance with the relevant Code of Practice which, in the case of academic staff, shall involve a hearing before a Panel constituted in accordance with Schedule 1 of this Ordinance.

Section J: Dismissal on other substantial reason

J1—This section covers dismissals on any ground falling within section 98 of the Employment Rights Act 1996 other than those covered by Sections E, F, G, H and I of this Ordinance (i.e. “some other substantial reason of a kind such as to justify the dismissal of an employee holding the position which the employee held” (Employment Rights Act 1996, s. 98(1)(b)); “the employee could not continue to work in the position which he held without contravention (either on his part or on that of his employer) of a duty or restriction imposed by or under an enactment” (s. 98(2)(d))).

J2—Where a Head of School, Institute or Department, after appropriate investigation, considers that the removal of a member of staff would be justified on grounds not covered by the provisions of sections E-I of this Ordinance, s/he shall make a confidential report to the Principal to this effect. If the Principal concurs, s/he shall inform the member of staff accordingly in writing, giving details of the reason for the proposed dismissal.

J3—The Principal may also initiate action under this section of the Ordinance without the recommendation of a Head of School, Institute or Department.

J4—The proposal for dismissal, together with supporting evidence, shall be submitted to a Panel constituted in accordance with Schedule 1 of this Ordinance. The Panel shall conduct the hearing in accordance with the relevant Code of Practice, which shall provide for the member of staff to make a submission both orally and in writing, and to appear before the Panel, accompanied by another person. The Panel shall give its decision in writing within five working days of the hearing.

J5—If the Panel supports the recommendation for dismissal, the member of staff may appeal within ten working days of the receipt of the decision of the Panel, to an Appeal Panel constituted in accordance with Schedule 1 of this Ordinance. The Appeal Panel shall conduct the hearing in accordance with the relevant Code of Practice. The decision of the Appeal Panel shall be final.

J6—Where a member of clinical staff who holds an honorary appointment at the College loses his/her substantive appointment with an NHS Trust as a result of disciplinary action, the honorary appointment shall also be terminated.

Section K: Dismissal from non-substantive offices

K1—This section refers to members of staff who hold an office in the College in addition to their substantive post—for example, Vice-Principals, Heads of School and Institute, Deans, whether appointed by the Principal or by Council.

K2—Where the Principal considers that the removal of a member of staff from a nonsubstantive office would be justified due to that member of staff’s unwillingness or
inability to perform the duties of the office to an appropriate standard, s/he shall inform the member of staff accordingly in writing, giving details of the reason for the proposed removal.

K3. The proposal for removal from office, together with any supporting evidence, shall be submitted to a Panel constituted in accordance with Schedule 1 of this Ordinance. The Panel shall conduct the hearing in accordance with the relevant Code of Practice, which shall provide for the member of staff to make a submission both orally and in writing, and to appear before the Panel, accompanied by another person. The Panel shall give its decision in writing within one week of the hearing.

K4. If the Panel supports the recommendation for dismissal, the member of staff may appeal within two weeks of the hearing to an Appeal Panel constituted in accordance with Schedule 1 of this Ordinance. The Appeal Panel shall conduct the hearing in accordance with the relevant Code of Practice. The decision of the Appeal Panel shall be final.

Section L: Clinical Staff

L1. This section applies to a member of the clinical academic staff who is required to engage in clinical work or activities and for that purpose to be registered with the General Medical or Dental Council or similar body and/or to have an honorary or substantive contract or status with a National Health Service trust or similar body, and may by Ordinance be extended to other groups of staff in a similar situation.

L2. Action under Section F or G of these Ordinances may be taken against a member of staff falling within paragraph M1 above in respect of conduct or incapacity arising in connection with that member of staff's clinical work or activities as if the work or the activities were performed in and for the College.

L3. Where the registration, contract or status referred to in sub-clause (1) above is terminated, withdrawn or revoked, the Principal may, having first afforded an opportunity to the member of staff concerned to make representations, dismiss the member of staff concerned; and where the registration, contract or status is suspended, the Principal may suspend the member of staff from employment for so long as the registration, contract or status is suspended, that suspension from employment to be without pay where the registration, contract or status has been suspended as a substantive disciplinary measure.

Section M: Appointed Teachers of the University

M1. Where the member of staff who is dismissed in accordance with Section F or J of these Ordinances is also an appointed teacher of the University of London, the Director of Human Resources shall notify the Vice-Chancellor of the University accordingly so that the University may withdraw from the member of staff the title of Professor or Teacher of the University.

Section N: Grievance procedures

N1. The Grievance Procedure for members of staff shall have regard to the relevant paragraphs the ACAS Code of Practice (as may be amended or replaced from time to time) referred to in paragraph F3 above.

N2. The Procedure shall apply to grievances by members of staff concerning their appointments or employment in relation to matters affecting themselves as individuals.
or their personal dealings or relationships with other staff of the College, other than those for which provision is made elsewhere in this Ordinance or where the Council has prescribed other procedures, provided those other procedures are no less favourable to the individual than under the Grievance Procedure.

N3 The Procedure shall provide that consideration of a complaint under the Procedure may be deferred if other proceedings under this Ordinance concerning the individual and relevant to the application are pending or in progress.

N4 The Procedure shall provide for the fair and speedy resolution of complaints, informally wherever possible, and for the complainant to be entitled to be assisted by any other member of staff or by a trade union representative at any hearings prior to that under N5 below.

N5 The Procedure shall make provision for a member of staff who is dissatisfied with the outcome of a complaint to be able to have the complaint heard by a Grievance Panel.

N6 A member of staff may bring a grievance to the attention of his/her line manager. If the grievance concerns the line manager, it should be brought to the attention of that person's line manager.

N7 The line manager shall investigate the grievance in accordance with the relevant Code of Practice with the object of achieving rapid resolution of the problem in an informal way.

N8 If the member of staff is not satisfied with the outcome of the informal process, s/he shall submit his/her grievance in writing to the Head of School, Institute or Department. The Head of School, Institute or Department shall seek to resolve the grievance in accordance with the relevant Code of Practice.

N9 If the Head of School, Institute or Department is unable to resolve the grievance, s/he shall inform the Director of Human Resources who shall refer it to a Grievance Panel constituted in accordance with Schedule 1 of this Ordinance. The Panel shall conduct its hearing in accordance with the relevant Code of Practice. The decision of the Panel shall be final.

N10 The Principal shall have the authority to defer consideration of the grievance on the grounds that other proceedings under this Ordinance concerning the member of staff, and relevant to the grievance, are pending or in progress.

Schedule 1: Constitution of Panels

The Academic and Professional Staff

S1 The Panel constituted to hear a case or an appeal involving a member of the academic and professional staff under §§F(5)[c], F19, G6, G7, J4, J5, K3, K4 and N9 shall consist of three persons, one of whom shall be an external member of Council appointed by the Chairman of Council, and the remainder selected by the Principal from a list of academic staff approved by the Senate for this purpose. None of the members of the Appeal Panel shall have any prior involvement with the case.

S2 A panel constituted to hear a claim by a member of the academic and professional staff, that action taken against them results from their exercise of academic freedom, shall consist of three persons, one of whom shall be an external member of Council appointed by the Chairman of Council, and the remainder selected by the Principal from a list of academic staff approved by the Senate for this purpose.

S3 The Appeal Panel to hear an appeal by a member of staff in the Academic Career
Progress Scheme against the termination of a probationary appointment under §19 shall consist of three persons, constituted in accordance with the procedures of the Academic Staff Review Group. The Appeal Panel to hear an appeal by a member of the academic and professional staff, other than a member of staff in the Academic Career Progress Scheme, against the termination of a probationary appointment under §19 shall consist of three persons, constituted in accordance with the relevant Code of Practice.

S4 The Panel constituted to review a decision not to renew a fixed-term contract shall consist of an external member of Council appointed by the Chairman of Council, a Head of Department who has had no previous involvement in the case and a person drawn from a list of academic staff approved by the Senate for this purpose, the two latter to be selected by the Principal.

Approved by Council 22 January 2013
Anti Bribery

And

Corruption Policy
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1 Introduction and Policy Statement

1.1 Queen Mary University of London (QMUL), referred to as the College, is committed to observing the provisions of the Bribery Act 2010 in all of its affairs, whether academic or business related, and to ensuring that all of its conduct be undertaken in an ethical and honest way, without the use of bribery or corrupt practices in order to gain an unfair advantage, both at home and overseas.

1.2 The Bribery Act 2010 came into force on 1 July 2011. It replaced a number of older laws and created a single code in relation to all instances of Bribery and Corruption. There are new substantive bribery offences, both in the UK (sections 1, 2, 7) and overseas (section 6). The provisions of this Act also hold all institutions and businesses liable if they fail to prevent bribery being carried out on their behalf, both at home and overseas.

1.3 The Act applies to all staff, students and persons associated with the College as a result of being an employee, agent, third-party intermediary, representative, agent, supplier, business partner or subsidiary acting on behalf of the College, wherever located.

1.4 The College has a zero tolerance policy towards bribery and corruption and is committed to the highest level of openness, integrity and accountability, both in letter and spirit. The penalties for these offences are severe and can mean up to 10 years imprisonment for the individuals responsible. In addition, if the College is found to have connived in or consented to acts of corruption undertaken in its name, the penalties include personal liability for senior managers and an unlimited fine, together with significant reputational damage for the College and could result in other Governmental-related consequences, such as debarment from public (government) tendering.

1.5 Top level commitment is an essential feature of compliance of the Bribery Act and colleagues and associates with management responsibility are expected to share Council’s and Queen Mary Senior Executive’s commitment to observe and implement the spirit and terms of this policy. QMUL will communicate this policy and provide training to all staff.

1.6 Any breach of this policy will be considered a serious matter and is likely to result in disciplinary action up to, and including, dismissal.

1.7 In addition to the Anti Bribery and Corruption Policy, the following policies are available on the QMUL intranet:

- Financial Regulations
- Scheme of Delegation of Financial Authority
- Anti Money Laundering
- Standards of Business Conduct
- Public Interest Disclosure (Whistle-blowing)
- Fraud and Corruption Policy and Response Plan

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2 What is Bribery and Corruption, and what is a bribe?

2.1 A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage which is illegal, unethical, a breach of trust or the improper performance of a contract. Corruption is the misuse of entrusted power for personal gain.

2.2 Acts of bribery or corruption are designed to influence the individual in the performance of their duty and induce them to act contrary to those duties. Inducements can take the form of gifts, fees, rewards, jobs, internships, examination grades, favours or other advantages.

2.3 It is an offence under the Bribery Act 2010 to:

- Promise or offer a bribe, or to give an advantage (“active” bribery)
- Request, agree to receive or accept a bribe, or accept an advantage (“passive” bribery)
- Bribe a foreign public official (the overseas offence)

In addition it is a corporate offence to consent to or connive in the commission of a bribery offence by anyone associated with the CollegeQMUL in respect of business carried out on behalf of the CollegeQMUL (the corporate offence).

Examples:

Offering a bribe

2.4 You offer a potential business partner tickets to a major entertainment event, on condition that they agree to do business with you and/or the CollegeQMUL.

2.5 This would be an offence as you are making the offer to gain a commercial and contractual advantage. In addition the CollegeQMUL may also be found to have committed an offence because the offer has been made to obtain business for the CollegeQMUL.

Receiving a bribe

2.6 A supplier gives a member of your family a job (or a donation is given in return for a place on a particular course), but makes it obvious that in return they expect you to use your position to influence the chances of obtaining CollegeQMUL business.

2.7 This would involve two offences, one by the supplier for making such an offer, and one by you for accepting the bribe in order to gain a personal advantage. Suppliers
who are found to have committed a bribery offence are automatically debarred from any future public (government) tendering.

Bribing a foreign official

2.8 You pay or make arrangements to pay an additional payment to a foreign official to speed up an administrative process (such as clearing goods through customs). For example, an academic colleague on a field trip pays a sum to customs officials to avoid excessive delay in the import of field equipment.

2.9 An agency responsible for recruiting students pays a small bribe to an education department official to be allowed access to students in a highly rated school.

2.10 The offence of bribing a foreign public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for you or for the College QMUL.

3 Who can engage in Bribery and Corruption?

3.1 Bribery and corrupt behaviour can be committed by:

- An employee, officer or director
- A person acting on behalf of the HEI (including agents, third parties and representatives, which can include students)
- Individuals and organisations that authorise someone else to carry out these acts

3.2 Bribery and corruption will often involve public or government officials and this is a specific offence under the Act. It is important, again, to recognise that ‘government official’ is widely interpreted and could include:

- A public official, whether foreign or domestic
- A political candidate or party official
- A representative of a government-owned or majority controlled organisation
- An employee of a public international organisation (e.g. World Bank)

4 Bribery and Corruption geography and penalties

4.1 Bribery is a criminal offence in most countries and penalties can be very severe, potentially resulting in prison sentences of up to 10 years, unlimited fines or both. There are also other consequential penalties, such as debarment from public (government) tendering.

4.2 The Bribery Act not only makes bribery illegal, but also holds organisations, including the College QMUL, liable for failing to prevent such acts by those working for it, or on its behalf, irrespective of where the act takes place. Similar legislation
is in place in many other countries, including the Foreign and Corrupt Practices Act (FCPA) in the USA.

4.3 It is in the interest of both the QMUL and the individual that everyone associated with the QMUL acts with propriety at all times. Corrupt acts committed abroad may well result in prosecution at home. Accordingly training will be provided for all staff and completion will be monitored by School/Institute Managers and Professional Services Directors.

4.4 Failure to comply with, or breach of, any parts of this Anti Bribery and Corruption Code of Conduct could be regarded as a disciplinary offence, up to and including Gross Misconduct. Penalties could include dismissal without notice or pay in lieu of notice in accordance with the QMUL’s disciplinary policy.

5 Controls and Record-Keeping

5.1 The management and controls around Gifts and Hospitality, donations and similar activities are central to the QMUL having, and being seen to have, an effective Anti Bribery and Corruption programme. The QMUL has a duty to monitor the facts that the terms of the Bribery Act are being observed by employees, workers and those associated with the QMUL. The QMUL is required to keep financial records and to have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

5.2 You must declare and keep a written record of all hospitality or gifts accepted or offered in accordance with the policy in Appendix D of the Standards of Business Conduct policy, available on the QMUL intranet. The electronic Gifts and Hospitality register is available for submissions on the QMUL policy zone.

5.3 You must ensure all expense claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Standards of Business Conduct and specifically record the reason for the expenditure.

6 Gifts and Hospitality

6.1 This Bribery Act does not prohibit all hospitality to or from third parties.

6.2 However, gifts, hospitality and political or charitable donations if intended to influence business decisions whether received or given may be treated as bribes.

6.3 Guidance on the QMUL’s accepted practice with regards to gifts and hospitality is set out in the QMUL’s financial regulations and in Appendix D of the Standards of Business Conduct document. However, when giving or receiving gifts and hospitality, you should consider whether the following requirements are met:
• The advantage is not given with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits.

• It complies with any local law.

• The advantage does not include cash or a cash advantage (such as gifts certificates or vouchers).

• It is given openly, not secretly.

• Gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the CollegeQMUL’s Director of Finance.

6.4 It is not acceptable for you (or someone on your behalf) to:

• Give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given.

• Give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to ‘facilitate’ or expedite a routine procedure.

• Accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them.

• Accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return.

• Threaten or retaliate against a colleague or third party who has refused to commit a bribery offence or who has raised concerns under this policy.

• Engage in any activity that might lead to a breach of this policy.

7 Facilitation payments

7.1 In many countries, it is customary business practice to make payments or gifts of small value to junior government officials, customs officers, parking wardens and people in similar official roles in order to speed up or facilitate a routine action or process. However, this is not permitted under the Bribery Act and the CollegeQMUL therefore prohibits the making or accepting of facilitation payments
by staff, and anyone carrying out business on the CollegeQMUL’s behalf, as such payments are illegal.

7.2 In the event that a facilitation payment is being extorted, or if you are forced to pay under duress, or where lives are at risk you must record the payment and report it without delay to your line manager.

8 Conflicts of Interest

8.1 The CollegeQMUL keeps a Record of Conflicts of Interests, which is maintained by the Registrar’s office, to monitor instances where conflicts of interest could occur. This must be kept up to date to ensure that potential conflicts of interest involving family members or day to day business decisions must be declared. Questions should be directed to your line manager in the first instance, and if necessary referred to the Director of Finance. Guidance is given in the Standards of Business Conduct document found on the CollegeQMUL’s Intranet.

9 Consequences of the Bribery Act 2010

9.1 This includes the need for the CollegeQMUL to establish relevant procedures and for all persons associated with the CollegeQMUL to be aware of the Act, and what it means for them.

9.2 Failure to do so brings with it the consequence of prison sentences of up to ten years and unlimited fines, together with significant reputational damage, debarment from public (government) tendering and other penalties.

10 Bribery concerns

Raising a concern

10.1 If you are concerned that a particular act might involve either bribery or corruption you should report this as soon as possible. This should be reported to your line manager in the first instance. If you or your line manager requires further guidance or advice, you should contact the Director of Finance. Alternatively you may wish to follow the procedures set out in the CollegeQMUL’s Public Interest Disclosure (Whistle-blowing) policy, which can be found on the intranet.

What if you are a victim of bribery or corruption?

10.2 It is very important that you inform your line manager as soon as you believe that you are a victim of bribery or corruption. This can take the form of a bribe by a third party, being asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity. Any instances of bribery, attempted bribery or corruption should also be reported immediately to the CollegeQMUL’s Director of Finance. Alternatively you may wish to follow the
procedures set out in the CollegeQMUL’s Public Interest Disclosure (Whistleblowing) policy, which can be found on the QMUL intranet.

**Protection**

10.3 Colleagues who refuse to accept or offer a bribe, or those who raise concerns or report another’s wrongdoing, are sometimes worried about possible repercussions. The CollegeQMUL will afford appropriate protection to anyone who raises genuine concerns in good faith under this policy.

10.4 The CollegeQMUL is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform your line manager. The CollegeQMUL’s HR Department may be contacted for advice and support. If the matter is not remedied, and you are an employee, you should raise it formally using the CollegeQMUL’s Grievance Procedures.

**Investigation process**

10.5 Any bribery or corruption-related investigations will be undertaken in accordance with the CollegeQMUL’s documented investigation procedures. The decision to involve the police will be taken by Council following advice from the Director of Finance and/or the Internal/External Auditors.

10.6 If the CollegeQMUL is the subject of an ongoing police investigation the above will not apply.

**11 Responsibilities**

11.1 You must ensure that you read, understand and comply with this policy and complete QMUL Anti Bribery training.

11.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for or associated with the CollegeQMUL. You are required to avoid any activity that might lead to, or suggest a breach of this policy.

11.3 Effective risk assessment in order to evaluate and mitigate risk is an essential element of this policy. Colleagues must assess the vulnerability of their activities,
particularly overseas, on an ongoing basis. This is embedded in the annual College-QMUL Risk Assessment Process.

11.4 You must notify your manager and the College-QMUL’s Director of Finance as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future.

11.5 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct.
12 Appendix A - ‘Red Flag’ risk scenarios relevant to Higher Education Institutes

Courtesy of British Universities Finance Directors Group (BUFDG)

For the most part, ‘Red Flag’ risk scenarios relevant to Higher Education Institutes are largely identical to those affecting most organisations. However, there are some – typically related to overseas campuses, donations and places – that are largely reserved to the education sector.

Some scenarios – such as a donation – when considered in isolation may seem perfectly acceptable. However, when that donation coincides with the donor tendering for a contract or the donor’s child applying for a place at the Higher Education Institute then, clearly, this presents a completely different scenario and risk.

Clearly, for this reason it is imperative that such issues are considered across the Higher Education Institute on a fully ‘joined-up’ basis.

Whilst it is accepted that the following risk scenarios are central to the activities of the Higher Education Institute, nonetheless the associated bribery and corruption risks should not be underestimated:

- Any procurement-related activity
- Supply relationships where relatively significant hospitality has become the norm, or is expected from potential/new suppliers
- Payment for travel, hospitality, gifts and entertainment – particularly overseas Invoicing issues, including agent fees, cash payments, disproportionate costs and ‘dubious’ expenses
- Overseas field trips involving potential ‘facilitation’ payments to customs officials and others, typically, in order to speed things up or to gain access
- Facilitation payments to expedite overseas building, building permissions and access to utilities
- Overseas agents and brokers, particularly where student enrolment is involved
- Overseas campuses
- Donations
- Student places
- Examination results and associated processes
- Concerns – which would clearly need to be substantiated – over lavish hospitality, unnecessary foreign travel and entertainment linked to (apparently) legitimate business travel

The above list is taken from the Anti-Bribery and Corruption HEI Code of Conduct – Template issued by the British Universities Finance Directors Group (BUFDG) in October 2011.
13 Appendix B – Useful Links

- For further details of the Bribery Act 2010:

- For the 45 page guidance from the Ministry of Justice on Section 9 of the Bribery Act 2010: Guidance about commercial organisations preventing bribery:

- For the 9 page Quick Start Guide from the Ministry of Justice:

- Joint Prosecution Guidance of the Director of the Serious Fraud Office and the Director of Public Prosecutions:

- Corruption Perception Index:
  www.transparency.org/cpi

- Seven Principles identified by the Committee on Standards in Public Life (formerly known as the Nolan Committee)
  https://www.gov.uk/government/publications/the-7-principles-of-public-life
  www.public-standards.org.uk
Anti Money Laundering (AML) and Criminal Finances Act (CFA)

Policy
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1. Introduction

Queen Mary University of London (the CollegeQMUL) is committed to observing the provisions of the Money Laundering Regulations, Terrorist Financing and Transfer of Funds Regulations 20017, the Proceeds of Crime Act 2002, Part 7 – Money Laundering Offences and the Terrorism Act 2000 (as amended by the Crime and Courts Act 2013 and the Serious Crime Act 2013 Anti-terrorism, Crime and Security Act 2001 and the Terrorism Act 2006) in all of its affairs, whether academic or business related. This policy aims to ensure that the CollegeQMUL and all its employees comply with the legislation and that the highest standards of due diligence are applied in relation to ‘know your customer’ principles.

Legislation has broadened the definition of money laundering and the range of activities where this can apply. The Money Laundering Regulations 2007 now applies to all companies and institutions including Universities. This policy sets out the procedure to be followed if money laundering is suspected and defines the responsibility of individual employees in the process.

The CollegeQMUL has a zero tolerance policy towards Money Laundering and is committed to the highest level of openness, integrity and accountability, both in letter and spirit. The penalties for these offences are severe and can mean up to 14 years imprisonment and/or an unlimited fine for the employees and executives responsible. In addition, there would be significant reputational damage for the CollegeQMUL.

Any breach of this policy will be considered a serious matter and is likely to result in disciplinary action up to, and including, dismissal.

In addition to the Anti Money Laundering Policy, the following policies are available on the QMUL intranet:

- Financial Regulations
- Scheme of Delegation of Financial Authority
- Anti Bribery and Corruption
- Standards of Business Conduct
- Public Interest Disclosure (Whistle-blowing)
- Fraud and Corruption Policy and Response Plan

2. What is Money Laundering?

The introduction of the Proceeds of Crime Act 2002 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 has broadened the definition of money laundering and has widened the range of activities controlled by the statutory framework.

Money laundering covers a wide variety of crimes, it can include anything from which individuals or companies derive a pecuniary benefit, directly or indirectly, and can include many crimes that are...
not initially thought of as connected with money laundering. There is a risk where there are large volumes of cash transactions and where customer identification is not always easy, for example, cash received for overseas students.

Money laundering is the process by which criminally obtained money or other assets (criminal property) are exchanged for 'clean' money or other assets with no obvious link to their criminal origins. Criminal property may take any form, including money or money’s worth, securities, tangible property and intangible property. It also covers money, however come by, which is used to fund terrorism.

Money laundering offences include:

- Concealing, disguising, converting, or transferring criminal property or removing criminal property [4] from England and Wales (Section 327 of the Proceeds of Crime Act 2002 (POCA))
- Arranging, or becoming concerned in an arrangement, which the person who knows, or suspects, or facilitates (by whatever means), the acquisition, retention, use or control of criminal property by or on behalf of another person (Section 328, POCA)
- Acquiring, using or having possession of criminal property (Section 329, POCA)
- Making a disclosure to a person which is likely to prejudice a money laundering investigation (“tipping off”) (Section 333, POCA)
- Becoming concerned in an arrangement facilitating concealment, removal from the jurisdiction, transfer to nominees or any other retention or control of terrorist property (Section 18, Terrorist Act 2000)

3. **College QMUL Obligations**

The College QMUL has a responsibility to:

- Appoint a Money Laundering Reporting Officer (MLRO) to receive, consider and report as appropriate, the disclosure of any suspicious activity reported by employees.
- Implement a procedure to enable the reporting of suspicious activity.
- Maintain customer identification procedures to ‘know your customer’, in relevant circumstances.
- Maintain adequate records of transactions.

4. **Employee Obligations**

Money laundering legislation applies to ALL College QMUL employees. Any member of staff could be committing an offence under the money laundering laws if they suspect money laundering, or if they become involved in some way and do nothing about it. If any individual suspects that money laundering activity is or has taken place or if any person becomes concerned about their involvement it must be disclosed as soon as possible to the MLRO.

Failure to do so may result in you being personally liable to prosecution. Guidance on how to raise any concerns is included in this policy document.

5. **Fees Paid and Refunds Requested in Cash**

Money laundering regulations apply to cash transactions in excess of 15,000 Euros (or the equivalent in Sterling or other currencies). The Proceeds of Crime Act 2002, Part 7 – Money
Laundering Offences applies to all transactions, including any dealings the CollegeQMUL has with agents or third parties, and can involve cheques, cash, bank transfers and property or equipment. Examples include:

- Where a student pays fees exceeding £105,000 Euros (or equivalent) by cash
- Where a student pays a fee for another student who is not present at the time
- A sponsor/third party not known to the CollegeQMUL pays fees for students

QMUL should avoid accepting cash payments greater than £10,000 (including notes, coins or travellers cheques in any currency). This does not mean that cash transactions below this value will be valid and legal and professional scepticism is encouraged at all times. Any suspicions should be reported to the MLRO (see below) and any advice followed.

Separate rules apply to foreign students and passports and visas of overseas applicants must be rigorously checked, and the UK Border Agency needs to be notified if a student with a Student Visa discontinues their studies. Fees paid in advance by foreign students who have subsequently been refused a visa are only refundable providing appropriate documentary evidence is available to demonstrate the circumstances. Where appropriate, refunds should only be made to the person making the original payment or in the case of a transfer by payment to the new University.

Care should also be taken where refunds are requested and the payment has been made by credit card or bank transfer. In these cases, refunds should only be made by the same method back to the same account from which funds were received. In the event of an attempted payment by credit or debit card being rejected the reason should be checked prior to accepting an alternative card. If in any doubt about the identity of the person attempting to make a payment the transaction should not be accepted.

6. ‘Know your Customer’

It is important that controls are in place to undertake customer due diligence i.e. steps to identify the student, customer or other party dealing with the CollegeQMUL. Satisfactory evidence of identity must be obtained. Examples include:

- Passport and/or Visa
- Birth Certificate
- Correspondence with students at their home address

And for third parties:

- Letters or documents proving name, address and relationship

If an organisation is not known to the University:

- Look for letter headed documents
- Check that invoices show a company’s registered office and VAT number
- Check websites, for example, www.companies-house.gov.uk.
- Request a credit check
- Aim to meet or contact key sponsors if you feel appropriate to verify validity of contact

Cheques drawn on an unexpected or unusual source should always be verified with regard to validity of the source.

A guidance note on possible signs of money laundering is included at Appendix 2.
7. The Money Laundering and Proceeds of Crime Reporting Officer (MLRO)

The Director of Finance is the officer nominated to receive disclosures in respect of suspected transactions or activity within the CollegeQMUL. Contact details can be found on the Intranet.

8. Disclosure Procedure to be followed by Individuals

Where you know or suspect that money laundering activity is taking or has taken place, or you become concerned that your involvement in a transaction may amount to a breach of the regulations, you must disclose this immediately to your line manager. If in consultation with your line manager reasonable suspicion is confirmed a disclosure report must be made to the MLRO. This disclosure should be made on the form shown at Appendix 3, which should be printed off and completed the same day the information came to your attention. If you do not do this, you may be personally liable to prosecution under the regulations.

Your report should include as much detail as possible including:

- Full details of the people and/or companies involved including yourself and other members of staff if relevant.
- Full details of the transaction and nature of each person’s involvement in the transaction.
- Suspected type of money laundering activity or use of proceeds of crime with exact reasons as to why you are suspicious.
- The dates of any transactions, where they were undertaken, how they were undertaken and the likely amount of money or assets involved.
- Any other information that may help the MLRO judge the case for knowledge or suspicion of money laundering that may help to facilitate any report to the National Crime Agency (which replaced the Serious Organised Crime Agency).

Once you have reported your suspicions to the MLRO you must follow any instructions given to you. You must not make any further enquiries unless instructed to do so by the MLRO. At no time and under no circumstances should you voice any suspicions to the person(s) you suspect of money laundering, nor should you discuss this matter with any colleagues.

If appropriate the MLRO will refer the case to the National Crime Agency (NCA) who will undertake any necessary investigation. This may include consent to continue with a particular transaction and care should be taken not to ‘tip off’ the individuals concerned, otherwise you may be committing a criminal offence. The penalty for tipping off is 5 years imprisonment and/or an unlimited fine.

9. Action and Disclosure by the MLRO

On receipt of a disclosure report the MLRO will:

- Note the date of receipt and acknowledge receipt of it.
- Assess and advise the individuals concerned when a response can be expected.
- Consider the report and any other relevant information, undertaking further enquiries if necessary to decide if a report should be made to the NCA.

Once the MLRO has evaluated the case, a timely determination will be made as to whether:

- There is actual or suspected money laundering taking place.
- There are reasonable grounds to know or suspect that is the case.
• Consent is required from NCA for a particular transaction to proceed.

Where the MLRO concludes that the case should be disclosed to NCA this needs to be done:

• In a timely manner.
• In the prescribed manner on a standard report format provided by NCA.

Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then consent will be given for transactions to proceed and the disclosure report will be marked accordingly.

10. Record Keeping Requirements

By keeping comprehensive records the CollegeQMUL will be able to show that we have complied with the Money Laundering Regulations. This is crucial if there is a subsequent investigation into one of our customers/students or transactions.

The types of record kept may include:
• Daily records of transactions
• Receipts
• Cheques
• Paying-in books
• Customer correspondence
• Student identification evidence

Records may be kept in any of the following formats:
• Originals
• Photocopies
• Microfiche
• Scanned
• Computerised or Electronic

Records must be kept for five years beginning on either:

• The date a business relationship ends
• The date a transaction is completed

In practice finance departments will routinely create and retain records in the course of normal business for six years. The Director of Finance will retain any disclosure reports and any associated relevant documents in a confidential file for a minimum of five years.

11. Conclusion

Instances of suspected money laundering are likely to be rare given the nature of services provided by the CollegeQMUL. However, the increased tuition fees from 2012 may have an impact on cash transactions, therefore, we must be aware of the legislative requirements, as failure to comply would have serious implications for both the CollegeQMUL and individuals concerned. If you have any suspicions or concerns regarding possible money laundering please consult your line manager or the MLRO about your concerns.
Part 2 - Criminal Finances Act (CFA)

12. An introduction to criminal tax evasion

The Criminal Finances Act 2017 (CFA 2017) came into effect from 30th September 2017. Part 3 of the CFA 2017 introduces a new Corporate Criminal Offence (CCO) of failure to prevent the facilitation of tax evasion.

Whilst it has always been a criminal offence to evade tax, and for anyone to help someone else evade tax, the new Act means that if a person ‘associated’ to the university, anywhere in the world - is found to have assisted a third-party in evading tax in the course of their duties, then the university itself could be deemed to have committed a corporate offence.

The scope of ‘Associated Persons’ is widely drafted and, whilst it includes the university's officers, it also includes employees, workers, agents, sub-contractors and other people/organisations that provide services for, or on behalf of, the university. The new CCO relates to situations where the university fails to prevent 'Associated Persons' from assisting in the evasion of tax by another party.


The university operates to the highest legal and ethical standards and will not tolerate acts of criminal facilitation of tax evasion by its associates anywhere in the world. The purpose of this policy is to set out the responsibilities of the university and of those working for it, whether as an officer, employee, worker, sub-contractor, agent or in any other capacity.

The Criminal Finances Act 2017 has parallels with the UK Bribery Act and this policy should be read in conjunction with the university's anti-bribery and corruption policy and related governance documents.

It is a criminal offence for anyone to evade paying tax of any kind, and also to help anyone to do so. Any individual found to be guilty of this could be subject to criminal proceedings under existing legislation. However, under the CFA 2017 in the event of there being both:

- Criminal tax evasion by either a UK or overseas taxpayer (as an individual or an entity) under existing law, and,
- Criminal facilitation of this offence by an 'associated person' of the university

then the university will automatically be charged with the corporate offence of failing to prevent its representatives from committing the criminal act of facilitation unless it can demonstrate that it had 'adequate' or 'reasonable procedures' in place to prevent that facilitation. If found guilty, the typical consequences for the university could be an unlimited fine, reputational damage and the potential disbarment from public/governmental contracts.

14. Examples of facilitating tax evasion in a university context

The following are common university risks that could be expected to feature in a typical risk assessment document and/or risk register:

i. Making a payment overseas e.g. to an overseas agent in the knowledge that the agent intends to use the method of payment to evade tax. Typically, this could apply where a payment is made into a bank account which is not in the name of the agent or their company but in the name of a different individual or company, or to a jurisdiction where the individual does not live or work.
ii. Categorisation of a payment to an individual - who should be deemed an employee or treated as such under IR35 - as self-employed knowing that the individual will use the gross payment to evade tax.

iii. Assisting an academic to facilitate his/her personal use of department research accounts (or ‘EDA’) or the backdating of a waiver, resulting in a loss of income tax to HMRC.

iv. Making a royalty payment e.g. to an overseas academic/former academic in the knowledge that the academic intends to use the method of payment to evade tax. Again, this could be where a payment is made into a bank account which is not in the name of the academic but in the name of a different individual or company, or to a jurisdiction where the individual does not live or work.

v. Employee colludes with another university/third-party to mis-describe services as outside the scope, pass through or grant funding rather than a taxable supply of research services where VAT cannot be recovered.

vi. Employee agrees to mis-describe services provided to a third-party in order to facilitate a VAT reclaim by them.

vii. Employee agrees to mis-describe goods being exported so that a lower rate of Customs duty becomes payable on import by customer.

viii. Employee accepts request to pay one entity knowing that the goods/services have been provided by another entity and that the purpose of the change is to evade tax.

ix. Employee allows a payment for goods/services to be described as a donation so that the donor can claim tax relief.

x. Employee authorises a VAT invoice from a supplier knowing that they are not VAT registered.

xi. Employee authorises an expense claim with photocopied receipts knowing that the claimant will use the original receipts to support a tax reclaim.

xii. Employee agrees to mis-description of an income stream to take the payment outside a with-holding tax obligation.

xiii. Employee buys goods for personal use through a university account and issues a certificate for charitable relief.

xiv. Academics not employed by the university perform work in return for a payment in kind e.g. travel to a conference or use of facilities, knowing that no tax will be paid on the payment.

xv. Overseas agents mis-describe services to facilitate the evasion of local indirect taxes.

xvi. Using a third-party to pay in-country workers on the university’s behalf, where you know that there is a withholding obligation, and that the third-party will not comply with that obligation.

HMRC has provided further generic examples of the facilitation of tax evasion and these can be found on HMRC website.

15. Responsibilities of university staff and Associated Persons

Staff and associates should abide at all times by university policies - including this CFA 2017 policy, the anti-bribery and corruption policy and related governance documents. Failure to comply
with these policies and the obligations detailed in this policy may result in disciplinary action for staff (up to and including dismissal) and termination of contract for associated persons. Should staff and associates become concerned that a fellow employee or associate is facilitating tax evasion by a third-party then they should immediately alert their manager or use the university whistle-blowing procedure.

16. Key Roles - The Criminal Finances Act 2017, including training

The university has made the appropriate appointments in relation to CFA 2017. The key officer will be responsible for questions, information, training and tax evasion reports in relation to CFA 2017. The university will provide relevant members of staff with training on the key aspects of CFA 2017, as set out in this policy. This training will be undertaken at a suitable frequency.

17. Risk Assessment - CFA & AML

Whilst the university has initiated a risk assessment in relation to the CFA - which will consider the relevant controls, processes and procedures - the risk assessment will form part of the wider work required for AML. This work is intended to ensure that all appropriate steps are taken to prevent facilitation of tax evasion.

A register of possible risks related to the facilitation of tax evasion by staff and/or associates will be prepared and maintained; the register will also list the controls to mitigate those risks and actions required to improve the controls. This register will be periodically reviewed and updated.
Appendix 1 - Risks to which Universities may be exposed

Courtesy of British Universities Finance Directors Group

The 20017 regulations place continuing emphasis on a risk-based approach to countering money laundering and terrorist financing. In practical terms this means identifying the risks facing the university, assessing the likely impact of these risks and putting in place procedures which will mitigate the risks.

Particular care needs to be focused on:

- Payments in cash
- Applicants from high risk countries
- Request for refunds
- Overpayments
- Failure to take up places
- Agents who do not fit in with normal procedures relating to deposits and tuition fees
- Identity fraud
Appendix 2 – Possible signs of money laundering

The following are types of risk factors which may, either alone or collectively, suggest the possibility of money laundering activity:

- A new customer, business partner or sponsor not known to the College QMUL
- A secretive person or business e.g. that refuses to provide requested information without a reasonable explanation or adequate documentation
- **Attempted payment** of any substantial sum in cash (over £10,000)
- Concerns about the honesty, integrity, identity or location of the people involved
- Involvement of an unconnected third party without a logical reason or explanation
- Overpayments for no apparent reason
- Absence of any legitimate source for the funds received
- Significant changes in the size, nature, frequency of transactions with a customer that is without reasonable explanation
- Cancellation, reversal or requests for refunds of earlier transactions
- Requests for account details outside the normal course of business
- A history of poor business records, controls or inconsistent dealing

Any other facts which tend to suggest that something unusual is happening and give reasonable suspicion about the motives of individuals.

If in doubt a Suspected Money Laundering form should be completed and returned to the Money Laundering Reporting Officer (MLRO).

**Useful Links:**

www.cps.gov.uk/legal/p-to-r/proceeds-of-crime-money-laundering
Appendix 3 - Suspected Money Laundering – Report to the MLRO

From: ________________________ School/Department: ________________________

Contact Details: E-mail: ________________________ Phone: ____________________

DETAILS OF SUSPECTED OFFENCE

| Name(s) and Address(es) of person(s) involved, including relationship with the College QMUL: |
| Nature, value and timing of activity involved: |
| Nature of suspicions regarding such activity: |
| Provide details of any investigation undertaken to date: |
| Have you discussed your suspicions with anyone and if so, on what basis: |
| Is any aspect of the transaction(s) outstanding and requiring consent to progress?: |
| Any other relevant information that may be useful: |

Signed: ________________________ Date: ________________________

Appendix 4 - MLRO REPORT (to be completed by the MLRO)

Date Report Received:_____________________________________________________

Date Receipt of Report acknowledged:________________________________________

CONSIDERATION OF DISCLOSURE

Further action required:

Are there reasonable grounds for suspicion requiring a report to be made to National Crime Agency (NCA):

If YES: Confirm date of report to NCA:_____________________________________

• Details on how to report can be found here:

  http://www.nationalcrimeagency.gov.uk

• Via the online system:

  https://www.ukciu.gov.uk/(4dwdsb55ckchty55xezgys45)/saronline.aspxhttps://www.ukciu.gov.uk/(xhpib1x55v13qm3b2umntgy45)/saronline.aspx

• Address (if reporting by post):

  National Crime Agency Units 1 - 6 Citadel Place, Tinworth Street, London SE11 5EF, PO Box 8000, London, SE11 5EN

  Tel: 020 7238 8282 — Fax: 020 7238 8286

• Any further details:

  • Is consent required from NCA to any on-going transactions?

  • If YES: confirm details and instructions:

    • Date consent received:__________________________________________

    • Date consent given to staff:_____________________________________

If NO: Confirm reason for non-disclosure:

• Date consent given to staff:__________________________________________

Signed:______________________________Date:______________________________
Public Interest Disclosure (Whistle-blowing) Procedure
1. **Introduction**

1.1 Queen Mary University of London (QMUL) is committed to the highest standards of openness, probity and accountability. It seeks to conduct its affairs in a responsible manner taking into account the requirements of regulators, funding bodies and the standards in public life set out in the reports of the Committee on Standards in Public Life (formerly known as the Nolan Committee).

1.2 It is a fundamental term of every contract of employment that an employee will not disclose confidential information about their employer’s affairs. However, where an individual discovers information which they believe shows malpractice or wrongdoing within QMUL, then this information should be disclosed without fear of reprisal and may be made independently of line management.

1.3 The Public Interest Disclosure Act 1998, which came into effect on 2 July 1999, gives legal protection to employees against being dismissed, victimised or suffering any other detriment from their employers as a result of making a “qualified disclosure” (i.e. disclosing information which is deemed to be in the public interest).

1.4 The Enterprise and Regulatory Reform Act 2013 made three key changes to the Public Interest Disclosure Act 1998:

[a] amended the definition of “qualifying disclosure” to introduce a public interest test;  
[b] removed the requirement that certain disclosures be made in good faith, replacing this with a power to reduce compensation where disclosure is not made in good faith;  
[c] introduced vicarious liability for employers if a worker is subjected to detriment by a co-worker for making a protected disclosure.

1.5 In addition to the Public Interest Disclosure (Whistle-blowing) Procedure, the following policies are available on the QMUL intranet.

Financial Regulations  
Scheme of Delegation of Financial Authority  
Anti-Bribery and Corruption Policy  
Anti-Money Laundering and Criminal Finances Act Policy  
Standards of Business Conduct  
Fraud and Corruption Policy and Response Plan  
Policy and Procedures for the Protection of Children and Adults in Need of Safeguarding

2. **Scope**

2.1 This procedure is designed to allow employees or other members (see 2.4 below) of QMUL to raise concerns or disclose information where the individual has a reasonable belief of malpractice which is in the interest of QMUL or of the public to be investigated. These will usually include one or more of the following:

[a] a criminal offence, such as financial malpractice, impropriety or fraud;  
[b] the breach of a legal obligation or failure to comply with the Charter, Ordinances and Regulations of Queen Mary University of London;  
[c] a miscarriage of justice;
[d] a danger to the health and safety of any individual;
[e] damage or potential damage to the environment;
[f] academic or professional malpractice, improper conduct or unethical behaviour;
[g] deliberate concealment of information relating to any of the above.

Matters relating to individual staff or student circumstances or concerns should be addressed through QMUL’s Grievance Policy and Procedure or Student Complaints Policy respectively.

2.2 Victimisation of any individual who has made a qualified disclosure using this procedure will be treated as a disciplinary offence irrespective of whether the allegations raised are subsequently upheld. Individuals must not suffer any detrimental treatment as a result of raising a concern. Detrimental treatment includes dismissal, disciplinary action, threats or any other unfavorable treatment connected with raising a concern.

2.3 A number of other policies and procedures are in place, including QMUL’s Discipline Policy and Procedure and QMUL’s Procedure for Investigating Allegations of Misconduct in Academic Research. Allegations which fall within the scope of those procedures should normally be made and considered in accordance with the relevant procedure.

2.4 The Public Interest Disclosure Act 1998 applies to employees, trainees, agency staff, self-employed persons providing personal services for QMUL, and contractors. Although not protected by the Act, it is expected that other members of the QMUL community, such as members of Council and students as well as volunteers, will also use the procedure set out below to disclose any information with they believe shows malpractice or impropriety. This procedure does not form part of any employee’s contract of employment and QMUL may amend it at any time.

2.5 It is emphasised that this procedure is intended to assist individuals who believe they have discovered malpractice or impropriety. It is not designed to question financial or business decisions taken by QMUL, nor may it be used to reconsider any matters which have already been addressed under grievance or disciplinary procedures. It is expected that members of QMUL will use this procedure to raise any concerns internally in the first instance rather than with agencies external to QMUL. It will rarely, if ever, be appropriate to alert the media. It is strongly recommended that advice is sought before reporting a concern to anyone external. The independent whistleblowing charity, Public Concern at Work, operate a confidential helpline. Their contact details can be found online at www.pcaw.org.uk.

2.6 The Criminal Finances Act 2017 has created a new corporate offence of failure to prevent the facilitation of tax evasion. This procedure should be used by those employees or other persons affiliated with QMUL who believe that any individual, who provides services for or on behalf of QMUL, has facilitated the commission of a tax evasion offence. Concerns relating to the evasion of tax should be reported as early as possible and in line with the procedure outlined at Section 3 below.

2.7 Any concerns about individuals or university events expressing extremist views that risk drawing people into terrorism or are shared by terrorist groups should be communicated to the QMUL’s Prevent lead, the Academic Registrar and Council Secretary, rather than be reported under this policy. However, any concern that the university is failing to fulfil its duties in relation to the Prevent duty may be reported either under this policy, or directly to the Prevent lead.
3. Procedure

Making a Disclosure

3.1 Disclosures should normally be made in writing to the Academic Registrar and Council Secretary, who will inform:

[a] the President and Principal or, where the allegation concerns the President and Principal, the Chair of Council, who will then become the designated person for the purpose of these procedures;

[b] the Chair of the Audit and Risk Committee;

[c] normally the Chief Operating Officer and the Director of Human Resources;

[d] where the allegation relates to financial malpractice, impropriety or fraud, the Director of Finance;

[e] where the allegation relates to safeguarding, the Director of Student and Academic Services.

3.2 If the allegation concerns the Academic Registrar and Council Secretary, or if it would be inappropriate to make the disclosure to them for any other reason, the disclosure should be made directly to the President and Principal or, where the issue falls within the review of the Council, to the Chair of Council, who will then become the designated person for the purpose of these procedures. The designated person will inform the other office holders listed in 3.2[b] and, where appropriate, 3.2[c]–[e] of the allegation.

Confidentiality

3.4 QMUL will treat all disclosures in a confidential and sensitive manner. The identity of the individual making the allegation will be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required. The individual making the disclosure will be informed if it is felt that their identity needs to be disclosed or is likely to become apparent in the progress of an investigation.

3.5 QMUL expects the individual making the disclosure and all others involved in any subsequent investigation to observe strict confidentiality in relation to the nature of the disclosure, the identity of those involved and any other information relating to the investigation.

Anonymous Allegations

3.6 This procedure requires individuals to sign any disclosures they make and we would encourage staff to make disclosures openly to QMUL in order to facilitate thorough investigation. In exceptional circumstances, concerns expressed anonymously may be considered at the discretion of QMUL. In exercising this discretion, the factors to be taken into account will include the seriousness of the issues raised, the credibility of the concern and the likelihood of confirming the allegation from attributable sources.

3.7 Individuals can seek advice from Public Concern at Work, the independent whistleblowing charity, who offer a confidential helpline. Their contact details can be found online at www.pcaw.org.uk.
Vexatious Allegations

3.8 If an individual makes an allegation in good faith, but this is not upheld by subsequent investigation, no action will be taken against that individual. However, if an individual makes malicious, vexatious or knowingly untrue allegations which are found on the balance of probabilities to be motivated by personal gain or the desire to cause harm or damage to the reputation of other(s), and particularly if they persist in making them, disciplinary action may be taken against the individual concerned.

Investigating a Disclosure

3.9 Within ten working days, the designated person will consider the information made available to them and decide on, and advise the individual who has made the disclosure of, the form of investigation to be undertaken. This may be:

[a] to investigate the matter internally;
[b] to refer the matter to the police;
[c] to arrange for an independent inquiry.

If the decision is that investigations should be conducted by more than one of these means, the designated person should satisfy themselves that such a course of action is warranted.

3.10 Where the matter is to be the subject of an internal inquiry, the designated person will then determine:

[a] who should undertake the investigation (see 3.11);
[b] the procedure to be followed;
[c] the scope of the concluding report.

3.11 In deciding who should undertake the investigation, the designated person will check with the proposed investigator that they:

[a] are not responsible for or substantially connected to the matter raised;
[b] are able and willing to conduct the investigation in a timely way (see 3.13);
[c] are adequately experienced or knowledgeable about conducting investigations of this character;
[d] do not believe themselves to conflicted in any other respect.

3.12 Where the allegation concerns a breach of QMUL’s Financial Regulations and/or procedures, QMUL’s Internal Auditor will normally undertake the investigation as the investigating officer. Where the allegation does not involve a breach of QMUL’s Financial Regulations and/or procedures, the investigation may be undertaken by a member of staff of QMUL appointed as the investigating officer by the designated person for this purpose.

3.13 The investigating officer will report their findings to the designated person. Any investigation will be conducted as sensitively and speedily as possible and normally within 20 working days.

3.14 A member of the Human Resources Directorate will be nominated to keep the individual who has made the disclosure advised of progress and likely timescales.

3.15 Where a disclosure is made, the person or persons against whom the disclosure is made will be informed of the nature of the allegation, the evidence supporting it and will be given the
opportunity to comment on the evidence and present any explanation before any conclusions are reached.

3.16 In instances where there is reasonable belief that any individual implicated by the allegation raised through a disclosure could jeopardise the progress of an investigation, for example by destroying records, then that individual may be temporarily suspended from duty. Any such suspension will:

[a] be without prejudice (i.e. will not imply or assume any actual or potential wrong doing on the part of that individual);
[b] be confirmed in writing to the individual in question, setting out the reason(s) for the suspension and any practical arrangements for the duration of their suspension;
[c] be on full pay;
[d] be of the shortest duration possible and reviewed on a regular basis.

3.17 As a result of this investigation, other internal procedures may be invoked, such as QMUL’s Discipline Policy or Grievance Policy, or it might form the basis of a separate investigation. In this event any investigation report from the use of this procedure may be used as the investigation stage under the Policies referred to above. In some instances it may be necessary to refer the matter to an external authority for further investigation.

Reporting of Outcomes

3.18 After the investigation, the designated person will inform the individual making the disclosure, normally within five working days, of what action is to be taken where this does not breach confidentiality for other individuals concerned (for example, if an outcome is that disciplinary action is to be instigated against another individual then it is unlikely that this will be disclosed).

3.19 If the allegation is not upheld following an investigation, the individual concerned will be informed of the reason for this.

3.20 The designated person will submit a report of all disclosures and any subsequent action taken to the Audit and Risk Committee. Where the issue falls within the purview of the Committee, a detailed report will be submitted, in other cases a summary report, in order to allow the Committee to monitor the effectiveness of the procedure. Copies of the report will be retained for a minimum of three years by the designated person.

4. Appeal

4.1 The individual will be given the opportunity to remake the disclosure, in writing, stating in full the grounds for appeal, within ten working days. An appeal can be made on the grounds that either the procedure was applied incorrectly or the action taken was inappropriate in the circumstances.

4.2 The allegation should be remade to a second appropriate person. For example, if the initial disclosure was made to an officer of QMUL then the subsequent disclosure might be made to the Chair of the Audit and Risk Committee or to the Chair of Council.

4.3 This second designated officer will consider all the information presented, the procedures that were followed and the reasons why the allegations were not upheld. The outcome of this will be either to confirm that no further action is required or to decide that further investigation is required. In the latter case, the second designated officer will follow the procedures referred to in Section 3 above.
4.4 In the event that the disclosure is remade to a second appropriate person, the individual making the disclosure will not subsequently have access to the further College policies or procedures for the continued pursuance of the same matter.

5. Review

5.1 The Academic Registrar and Secretary to Council may review this policy following the conclusion of an investigation if any procedural or other problems were experienced during the course of an investigation, or if there is a change to best practice or national guidance in respect of public interest disclosures. QMUL’s trades unions will normally be consulted on any substantive changes proposed.
# Review of Internal and External Auditor Contracts

<table>
<thead>
<tr>
<th>Outcome requested:</th>
<th>Audit and Risk Committee is invited to note the contract arrangements for internal and external audit services and recommend the reappointment of the external auditors.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary:</td>
<td>The contract for external audit is operating in accordance with expectations. A new audit partner, Jonathan Gooding, has taken over the role of Audit Engagement Lead for financial year ended 31 July 2018 following the retirement of Sue Barratt. The internal audit contract with KPMG is in its first year of operation since the contract was retendered during 2017. The contract provided for fewer annual audit days which will result in savings over the period of the contract.</td>
</tr>
<tr>
<td>QMUL Strategy:</td>
<td>strategic</td>
</tr>
<tr>
<td></td>
<td>Strategic Aim 6: to achieve and sustain financial strength to enable our academic ambitions, through a balanced portfolio of activities.</td>
</tr>
</tbody>
</table>
| Internal/External   | HEFCE Memorandum of Assurance and Accountability  
| regulatory/statutory| HEFCE Audit Code of Practice |
| reference points:   | |
| Strategic Risks:    | 11 – Sustainable income streams.  
|                     | 12 – Cost control, VfM and expenditure |
| Equality Impact     | Not required |
| Assessment:         | |
| Subject to prior and | QMSE 27 February 2018  
| onward consideration by: | Audit and Risk Committee 13 March 2018 |
| Confidential paper under | Yes – commercially sensitive |
| FOIA/DPA:           | |
| Timing:             | QMSE 27 February 2018  
|                     | ARC 8 March 2018 |
| Author:             | Caroline Allen, Financial Accountant  
|                     | Janice Trounson, Deputy Director of Finance, Financial Controls |
| Date:               | 21 February 2018 |
| Senior Management/External | |
| Sponsor:            | Joanne Jones, Finance Director |
Annual Review of Internal and External Auditor Appointments

1 Background
1.1 The committee reviews the internal and external auditor appointments annually to ensure the contracts are being fulfilled in line with expectations.

1.2 External audit services are provided by Deloitte under terms of engagement agreed in April 2015 for the Financial Year to 31 July 2015. External auditors are formally re-appointed annually and it is recommended that Deloitte are re-appointed.

1.3 Internal audit services are provided by KPMG who were appointed in April 2017 for four years, following a tender process completed in January 2017. KPMG had previously provided the service from 2010 to 2017.

2 External Audit
2.1 Deloitte completed their audit of the accounts to 31 July 2017 including all the subsidiaries in February 2018. QMUL’s accounts were signed on 30 November 2017. The subsidiaries’ accounts are in the process of being signed. This is the third year that Deloitte’s have audited QMUL’s accounts.

2.2 The terms of engagement commenced in April 2015. The contract has no formal end as the re-appointment of external auditors is done annually however HEFCE guidance insists that external audit arrangements are market tested at least every seven years:

“Market testing should be undertaken at least every seven years. One named individual partner in the firm is normally responsible for the HEI’s audit; he or she should not hold this position for more than ten consecutive years.”

2.3 A new audit partner, Jonathan Gooding, has taken over the role of Audit Engagement Lead for financial year ended 31 July 2018 following the retirement of the existing partner, Sue Barratt.

2.4 The audit fee covers the audit of the university (68% of the fee) and 6 subsidiaries.

<table>
<thead>
<tr>
<th>Contract (excl. VAT)</th>
<th>Actual (excl. VAT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>£’000s</td>
<td>£’000s</td>
</tr>
<tr>
<td>2014/15</td>
<td>120.0</td>
</tr>
<tr>
<td>2015/16</td>
<td>120.1</td>
</tr>
<tr>
<td>2016/17</td>
<td>121.6</td>
</tr>
</tbody>
</table>

1 Contracted fees (excl. VAT) against actual fees charged for external audit services.

2.5 The fees in 2015/16 were increased by an additional £20k for the group as a result of additional work required on implementation of FRS102 accounting standards. A net increase of fees of £1.7k was agreed in 2016/17 to reflect ongoing additional FRS102 work on USS valuations this was offset by a reduction in fees following reduced audit work in relation to the Innovation Centre.

2.6 Excluding the additional charges in 2015/16 the fee charged is in line with expectations and increased by 1.3% between 2014/15 and 2016/17. This increase is the agreed uplift for CPI over the period.
3 Internal Audit

3.1 KPMG have provided internal audit services to QMUL since 2011 when they took over the service from Deloitte.

3.2 History of services provided by KPMG to QMUL over the previous four years

Apart from the annual internal audit service, KPMG also provided special internal audits as required and tax advice. Non-audit consultancy services were also provided to some departments.

<table>
<thead>
<tr>
<th>Year</th>
<th>Internal Audit</th>
<th>Special internal audit projects</th>
<th>Tax advice</th>
<th>Other Consultancy</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>105.5</td>
<td>36.0</td>
<td>3.0</td>
<td>-</td>
<td>144.5</td>
</tr>
<tr>
<td>2014/15</td>
<td>111.9</td>
<td>-</td>
<td>117.4</td>
<td>55.5</td>
<td>284.8</td>
</tr>
<tr>
<td>2015/16</td>
<td>107.2</td>
<td>23.0</td>
<td>201.5</td>
<td>34.2</td>
<td>365.9</td>
</tr>
<tr>
<td>2016/17</td>
<td>107.8</td>
<td>38.4</td>
<td>35.6</td>
<td>-</td>
<td>181.8</td>
</tr>
<tr>
<td>Four year total</td>
<td>432.4</td>
<td>97.4</td>
<td>357.5</td>
<td>89.7</td>
<td>977.0</td>
</tr>
</tbody>
</table>

2 Actual costs of all services supplied by KPMG (incl. VAT as that is how the tender was priced)

The contract for internal audit services has been retendered with KPMG being retained following a tender process in 2017. The new contract commenced April 2017 for four years with an option to extend for 36 months thereafter. HEFCE guidance requires:

“Where internal audit is provided from an outside source, market testing should be undertaken at least every five years.”

The annual charge for the contract is £101,940 including VAT for 170 days. The total value of the contract over four years is £407,760.

3.3 QMUL is benefitting from reduced costs of the internal audit programme following the tender renewal, in addition from 2017/18 KPMG will assume responsibility for the reporting of progress of internal audit recommendations.

4 Recommendation

4.1 The Audit and Risk Committee recommend the re-appointment of Deloitte as the external auditor for QMUL and its subsidiaries.
# AUDIT AND RISK COMMITTEE

A meeting of the committee will be held at **1500 hours** on **Thursday 14 June 2018**, in the Colette Bowe Room, Queens’ Building, Mile End Campus.

## DRAFT AGENDA

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<th>Part 1: Introduction</th>
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<th>Committee Lead</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome and apologies</td>
<td>Oral report</td>
<td>D Willis</td>
<td>N/A</td>
</tr>
<tr>
<td>• Non-confidential minutes</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>• Confidential minutes</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>• Executive summary</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

## Part 2: Risk Management

| 4. Deep dive: Student experience (retention) | ARC2017/XX | N Choudhary | Dr C Cotter |
| 5. Strategic Risk Register | ARC2017/XX | N Choudhary | E Burke |
| 6. Whistleblowing cases since the last meeting | Oral report | D Willis | J Jones |
| | | | J Morgan |

## Part 3: Internal and external audit

| 7. Internal audit reports: | ARC2017/XX | M Tatton | J Jones |
| • Data quality – TRAC | | | |
| • Financial management | | | |
| • Health and wellbeing of students | | | |
| • UKVI compliance | | | |
| 8. Internal Audit Plan 2018–19 | ARC2017/XX | M Tatton | L Gibbs |

## Part 4: Statutory and Regulatory Compliance

| 10. HEFCE Assurance Reports | ARC2017/XX | D Willis | J Jones |
| • Annual HESA audit letter | | | |
| • Annual provider review | | | |

## Part 5: Financial Control

| 12. Fraud/financial irregularities occurring since the last meeting | Oral report | D Willis | J Jones |
### Part 6: Committee Management and Reporting

<table>
<thead>
<tr>
<th></th>
<th>Agenda Item</th>
<th>Reference</th>
<th>Chair</th>
<th>Secretary</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.</td>
<td><em>Draft agenda for the next meeting</em></td>
<td>ARC2017/XX</td>
<td>D Willis</td>
<td>S Marshall</td>
</tr>
<tr>
<td>17.</td>
<td>Any other business</td>
<td>N/A</td>
<td>D Willis</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*will be taken without discussion unless a request to open the item for debate is sent to the Chairman or Secretary prior to the start of the meeting.*