



RISK MANAGEMENT COMMITTEE

16 October 2014

Minute

Present: Mr H Edmiston, Director of Corporate Services (Convener)
Dr R Black
Assistant Principal Dr T Harrison
Professor J Ansell
Dr C Elliott, College Registrar, MVM
Dr B Neilson, College Registrar, CSE

In attendance: Mr D Kyles, Chief Internal Auditor
Ms S McIntosh on behalf of Mr Gribben
Ms J Craiglee on behalf of Mr Weir
Dr K J Novosel, Head of Court Services

Apologies: Mr F Gribben, College Registrar, HSS
Mr P McNaull, Director of Finance
Mr T Weir, IT Infrastructure
University Secretary/Deputy Secretary

1 Minute

Paper A

The Minute of the meeting held on 15 May 2014 was approved as a correct record. The Committee welcomed Dr Catherine Elliott and Mr David Kyles, and Mr Hugh Edmiston in his new capacity as Convener of this Committee.

2 Convener's Business

Verbal

Mr Edmiston intimated his intention to undertake a review of the risk management processes towards the end of this academic year to ascertain if any enhancements or improvements could be introduced: acknowledging the high reputation in the sector of the current processes.

It was noted that the Risk Management Committee had now been designated a Thematic Committee of Court reporting to the Audit and Risk Committee with the remit of the latter Committee now including oversight of risk management. The interaction between the Risk Management Committee and the Audit and Risk Committee would evolve over the coming year: Dr Black provided a link between the membership of the Audit and Risk Committee and the Risk Management Committee. Dr Black confirmed his view that he was an observer at this Committee recognising that this was very much an operational Committee. Other changes around the paper format and

content would be introduced during the year.

It had also been agreed that the Risk Registers which normally formed part of the annual plans submitted by Colleges and Support Groups and reviewed by this Committee around May each year were no longer required. It was considered that this was duplication as any risks associated with the planning process would also be included in the overarching Risk Registers maintained at College and Support Group level.

SUBSTANTIVE ITEMS

3 Summary of Colleges, Support Groups and Subsidiary Companies annual questionnaire returns

Paper B

It was noted that this return formed part of the assurances provided to Court to enable it to sign off the Annual Report and Accounts for the year to 31 July 2014.

The Committee considered the responses provided by each College and Support Group to the questions posed and the proposed summary noting the changes in the compliance environment particularly in respect of the Health and Safety Executive and the reputational risks to the University around non-compliance. Subject to incorporation of the following suggestions, the Committee was content for this paper to be presented to the next meeting of the Audit and Risk Committee:

- There may duplication of responses with the same information being recorded by more than one College/Support Group and the same information provided in response to more than one question - it was agreed to clarify the position prior to completing the questionnaire.
- There were possible differences in the interpretation of the questions eg Q11 and that it might be helpful to provide further guidance. In respect of loss of data going forward it would be helpful to consider the inclusion of inappropriate disposal of data.
- Q14 to make reference to the European Data protection legislation and the impact on research activity.
- Q15 instance regarding bank account to be included in this section.

There was also discussion around IT security, specifically into options around strengthening the current password processes. It was noted that this was actively being addressed by the Knowledge Strategy Committee. Other items listed at the end of the questionnaire would

be followed up and as appropriate included in the return.

The information contained within the questionnaire was considered extremely useful and there was discussion on whether it was feasible for information to be collected more frequently: it was agreed that this might not be appropriate and that this questionnaire was intended to form part of the annual assurance process for Court. If there were new risks identified these would be addressed and considered by the Risk Management Committee during the year.

4 Report on the Annual Audit Returns 2013/2014

Paper C

The Committee noted that no significant issues had been reported from Colleges and Support Groups in their annual audit questionnaires and no material breaches reported in the law and regulation returns completed by Heads of Colleges, Support Groups, Schools and Departments. The Committee welcomed the further assurances provided by these processes undertaken by Finance.

The items recorded were noted including an overseas bank account not managed by central finance which was being investigated, instances of fraud and error and non-compliance at a non-material level: all these items except the banking account had also been recorded in the risk management annual questionnaire.

5 Report on Major IT Services 2013/2014

Paper D

There was discussion on the format and the information provided in the Report. The Committee suggested that it would be helpful if information could be provided in next year's report on the following:

- Where there had been a disruption of computing services data: the length that the service was down would be helpful; which parts of the University had been affected; and when the downtime had occurred. The current table provided information on priority services and in addition to the above it would be helpful if the scope of areas reported could be expanded.
- In addition to actual downtime, systems were often very slow and information on these sorts of incidents which were in effect capacity rather than availability issues would also be helpful. This would also perhaps flag where there was increased demand and the risks associated with this.

It was agreed that IS would provide an update to the next meeting on the Risk Management Committee around the above points.

The Committee further discussed issues of IT security, the challenges of centrally capturing data on incidents and on processes in place to mitigate risks around IT security. The Committee welcomed the

robust processes put in place across the University, particularly at School level, to identify individuals with key responsibilities for IT and ensuring appropriate reporting upward to Heads of School and to College level: senior officers across the University with clear responsibility for IT security in their area. This network of computing officers was supported from within IS. The Committee also recognised the challenges around staff/student behaviour, the need to continually raise awareness and provide information on IT security and best practice as well as continuing to have in place robust policies and procedures.

There was further discussion around current and future technologies and how best to ensure that policies and procedures were robust. It was agreed to invite the IT Security Office to prepare a paper for the next meeting of the Committee setting out issues around IT security to include future proofing, using technology to enforce best practice behaviour, and current thinking on password authentication.

The Committee was content to forward this information to the Audit and Risk Committee as part of the assurance process.

6 Procurement assurance

Paper E

The Committee noted the comprehensive report and was content that the information provided appropriate assurances in respect of procurement during 2013/2014 and also on the actions being taken to mitigate future risks.

The University had confirmed within its Statement on Risk Appetite that it did not wish to take risks around reputation or compliance and in this context the Committee agreed to consider further the inclusion of procurement as a risk on the University Risk Register. There were a number of current issues around the new Public Procurement Reform (Scotland) Act 2014, implications of Scotland's response to EU Procurement Directives, outcome of external audits of historical projects funded by the EU Regional Development Fund, and identification of inappropriate procurement practice resulting in potential health and safety and reputational risks. It was agreed to invite Procurement to report on the progress in these areas.

The Committee welcomed the actions taken to mitigate the identified risks during the year particularly the strengthened procurement support at College level. There was discussion on raising awareness of procurement good practice across the University particularly with academic colleagues. There was also discussion on appropriate processes around grants particularly EU grants to ensure full compliance with the terms of the grant. It was noted that actions were being taken to introduce one system for equipment purchased from EU grants to assist in mitigation of risk in this particular area.

7 Annual Report on Health and Safety

Paper F

The Committee noted the revised reporting arrangements for the Health and Safety Committee which included the Health and Safety Committee providing information on incidents to the Audit and Risk Committee with its main reporting route being into the Central Management Group. The Committee welcomed the report and was content that the information provided appropriate assurances in respect of Health and Safety during 2013/2014 and also on the actions being taken to mitigate risks.

The report highlighted the new approach of the Health and Safety Executive (HSE) and the issuing of two improvement notices which were being appealed and are currently therefore suspended. The Fire and Rescue Service was also taking a new approach and had introduced auditing procedures for University Buildings and might introduce call charges for false alarms.

There was also discussion on the roles and responsibilities of staff across the University in respect of H&S and in particular PIs heading up research teams. It was agreed that colleagues in HR could perhaps be of assistance in determining the current induction provided to PIs in respect of their responsibilities in this area and perhaps on whether this should be broadened out to other staff: this to include consideration of the recording of training provided and it was understood that IS and HR were looking at an effective tool to improve recording processes. It would be helpful if a paper could be provided by Health and Safety on this for the next meeting of the Committee.

8 Risk Assurance Map

Paper G

The map referred to the University Risk Register in operation during 2013/2014 and provided evidence regarding which Committee had discussed the identified risks contained within the Register. The Committee was content with the information presented and an opportunity was taken to review the risks as set out to assist in future reviews of the Register: this information to be recorded for future consideration by the Committee. There was also discussion on going forward if there should be assessment of the assurances provided.

9 RMC report for year end 31 July 2014

Paper H

The Committee approved the report for onward transmission to the Audit and Risk Committee subject to consideration on the statement on fraud.

ROUTINE ITEMS

- 10 Update of Risk Registers – Subsidiary companies (ERI, ETTC, Research into Results Ltd, FloWave TT Ltd and UoE HPCx Ltd) Paper I**

The Committee was content with the Registers submitted by the various companies. It was highlighted that this Committee's role could only be advisory given that the responsibility of the individual Boards of each company to identify and mitigate risk.

- 11 Institutional-led Review and Enhancement (ELIR) - Update Paper J**

It was welcomed that Court had approved the University's Annual Report to the SFC on Institution-led Review and Enhancement Activity 2013/2014. The Committee was also content with the assurances provided in respect of the actions being taken to address the recommendations and suggestions contained with the last ELIR report (2011) and the preparation underway for the ELIR 2015: papers would be presented to Court to keep it informed of the preparations for this important review.

- 12 Programme of risk reviews Paper K**

The Committee approved the proposed programme of reviews.

- 13 In-Year Record of Events Verbal**

It was agreed to prepare a list of the emerging risks to be considered at each meeting of the Risk Management Committee.

ITEMS FOR FORMAL APPROVAL/NOTING

- 14 Joint Audit and Risk Committee and Risk Management Committee – Note Paper L**

The Committee noted and approved the Note of the meeting: the relationship between the Audit and Risk Committee and the Risk Management Committee would continue to evolve as the new Committee structure became more embedded during the year.

- 15 Date of next meeting**

The next meeting will be held on Monday, 2 February 2015 at 2.00pm in the Elder Room, Old College.