![Queen Mary University of London logo]

Internal Audit Recommendation Tracker

Outcome requested	Audit and Risk Committee is asked to **note** progress with the internal audit recommendations.
Executive Summary	Updates from lead officers have been provided for all of the actions. The full list of actions has been included for review, and **an additional column has been added** to indicate whether actions are overdue, due, or not yet due for completion. 5 items have been progressed to completion. 16 items remain open and are being progressed. The report is presented with the areas due for report at the February ARC meeting listed first. The following items are now overdue and outstanding: • SMDP06 (12/13) - Partner payments for placement students (amber) • SMDP07 (12/13) - Partner payments for placement students' use of facilities (amber) It was noted however, at the last meeting that the progress of these actions has been delayed by staffing issues within Barts Health Trust. All items prioritised as 'red' by the Internal Auditors have now been completed. The last column details the revised deadlines for items proposed by the responsible officers. Newly proposed deadlines **have been highlighted in red.** The Executive will provide any further updates at the meeting. Column D: items in red = not completed, items in green = completed.
QMUL Strategy:	Internal audit supports all areas of the strategic plan.
Strategic Risks:	Internal audit considers all risk areas.
Subject to prior and onward consideration by:	QMSE 12 January 2016
Confidential paper under FOIA/DPA:	No
Equality Impact Assessment:	Not required
Timing:	Regular report to Audit and Risk Committee
Author:	Eleanor Crossan, Governance Administrator

Date:	17 December 2015
Senior Management/External Sponsor	Emma Bull, Interim Chief Operating Officer

Audit Plan Year	Audit Title Code	Auditor Priority	Agreed due by date Red = not complete Green = complete	ARC meeting to report progress to	Finding / Risk / Recommendation	Management Response in Audit	Responsible Officer	Management Notes on progress	Overdue	Revised deadline proposed by Management Red = high priority
1314	CFS01	Red	Implemented	February 2016 ARC	**Independent review of payroll data and exception reporting** The HR Officers are currently responsible for creating new starters and assigning grades and spinal points in ResourceLink (HR and Payroll system). These determine the employee's salary. The HR team are also responsible for processing changes to the payroll, such as changes in hours or non-incremental pay rises. At present there is no routine review of the creation of new starters or changes made to the payroll. Our testing identified the following exceptions: - Six out of our sample of ten new starters created in the system had not been reviewed; and - No evidence was available to confirm the amendments processed had been checked for validity. We also found that checks were undertaken on a sample basis of amendments to payroll data and where there were significant changes to pay. There is an increased risk that ghost employees are added to the system or that unauthorised changes to salaries are made to the payroll. We recommend: - All new starters are independently reviewed prior to being made active on the payroll system; and - All amendments to employee salaries and significant changes to pay should be reviewed on at least a monthly basis; and - Other amendments could be reviewed on a sample basis if necessary to ensure accuracy. A sample of 20% of changes is suggested if this is deemed necessary.	**Accepted** We do need to ensure risks are adequately mitigated. It is helpful that audit have identified the levels of checking that will be necessary to give assurance of satisfaction. We have very high volumes of transaction and we are introducing more e-enabled processes to minimise the level of intervention necessary and reduce human error. We will need during the year to review our use of contracts that require frequent updating, and payment methodologies that allow lack of precision or fluctuation in payments that could be modified to make regular consistent payments. And thus reduce effort and error. We will introduce routine processes that comply with audit recommendations.	Margaret Ayers	**Update Dec 2015:** We spoke to KMPG on this action. They have indicated that as long as the HR management team are satisfied with the levels of checking and control there was no need for further action. We have implemented the checking processes that we agreed in September and feel that we now have sufficient robust controls in place. **Update Sept 2015:** On each of the recommendations: (1)All new starters are independently reviewed prior to being made active on the payroll system; Within our current resources levels it is difficult for us to comply with this recommendation so we are inviting KPMG back in so we might mutually agree a less resource heavy requirement that satisfies the auditors. In the meantime we will introduce a system of checking a 10% sample of all new starters in the HR Ops team. A report from HR system will be created to identify all new starters, with name, date of start, post number, Grade, point and salary which would be checked against the source document All of the work of new HR Assistants is reviewed for the first 3 months so that training needs can be identified. We will monitor error rates to establish whether any additional levels of checking is necessary. (2) All amendments to employee salaries and significant changes to pay should be reviewed on at least a monthly basis and (3) Other amendments could be reviewed on a sample basis if necessary to ensure accuracy. A sample of 20% of changes is suggested if this is deemed necessary. Payroll use a net pay difference process which is reviewed by all payroll staff every main payroll run where the net pay is £20 or 20% different from the previous period. When payroll staff are absent the remaining payroll officers review the report for absent members. In HR Operations a 10% check should be made on the other changes, a report from HR Systems will be created to identify the all the changes made to salary, excluding sick pay.	Overdue	Complete
1415	SDS03	Amber	Implemented	February 2016 ARC	**Engagement plan for CAPD with the Faculties and Professional Services** In order for the academic departments and professional services to become aware of the courses offered, the CAPD needs to ensure the services they offer and courses available are marketed appropriately. We recommend that the CAPD develops an engagement plan for faculties and professional services to ensure they are aware of the courses and activities available to staff. A named individual should be identified as a key liaison point in each	**Accepted** This piece of work has already started with the project being undertaken by our graduate management trainee. We will develop an engagement plan with the faculties, but we are not convinced that identifying a single faculty contact is the most effective way to achieve good communication with all our stakeholders. It is probably	Professor Joy Hinson, Director of CAPD	**Update Dec 2015**: A list of named contacts is now in place for professional development and this will be refined during Dec 15/Jan 16, together with development/implementation of a coherent engagement plan. **Update July 2015:** E-Learning and Educational Development teams have departmental contacts. Awaiting recruitment of Heads of LPD and RD to complete this action.	Due	Complete

					academic department and professional service.	more appropriate for each team in CAPD to identify a key stakeholder in each school/institute/directorate.			
1112	IPG02	Amber	Implemented	February 2016 ARC	**The level of IP participation & awareness amongst academic staff** a) Reliance on academics to disclose inventions: Under the College's Code of Practice for the Exploitation of Intellectual Property (drafted in 2003) IP rights in inventions created by staff are owned by the College. The staff are to "notify the College of any such Invention, which might have commercial value". Any income which derives from the commercialisation of the invention is shared by applying a percentage sharing mechanism. This is also brought to the attention of academics in the College's Inventor's Guide. b) Level of incentivisation of academics: The effectiveness of academics complying with their duty to notify the College of new inventions depends partly upon whether the academics support the fact that that their research activities should be commercially exploited by the College. It is also not clear whether the incentivisation scheme is pitched at the right level. c) Interaction with inventors across the College: From the responses to our questionnaires and discussion with the Director of QMI we understand that QMI tends to work with a relatively small group of prolific inventors. However there are many academics that currently are not involved in the IP commercialisation process. We therefore question the sufficiency of IP capture across the College. Recommendations for increasing the engagement of academic staff with QMI IP training courses: QMI has a stall at the induction day for new staff. It also issues factsheets on IP, invites staff to IP training sessions and holds monthly IP surgeries. Whilst all of these are good practices, they still require voluntary participation. Introducing a training course on IP would help ensure that all academic staff receive the requisite training on a regular basis. We recommend that academics should attend IP training or undertake IP online training on an annual basis in line with other organisations. Furthermore, an online course, perhaps linked to other mandatory training, would be scalable since delivery would not require the resources of QMI's team to support it. Attendance at the course could be linked to performance goals. Reassessment of IP participation incentives: We recommend that the College should reassess how academics are incentivised to participate in the IP commercialisation	**Accepted** The level of student awareness and understanding of IP regulations is a matter that was recently raised at QM's VPRAG. The dissemination of student IP regulations through student enrolment and other documentation shall be improved.	Director of TT and QMI.	**Update Dec 2015:** The IP Policy is complete and in place. All Heads of School have now been consulted on IP policy implementation strategies for each school. QMI will work with Schools on an ongoing basis to ensure effective implementation. The IP Guide book will be launched in March 2016. **Update May 2015:** The new IP Policy will be underpinned and promoted by new a new guide book for academic researchers and students to be generated by QMI in conjunction with external IP legal support. The guidebook will be an accessible support document containing clarifications, worked examples, case studies and illustrations covering the main aspects presented in the IP Policy. QMI has secured approval from University of Manchester to adapt content from their successful guidebooks for use at Queen Mary, albeit edited to provide local context. It is expected the guidebook will be completed before the end of July 2015. In addition, QMI is also working with the faculty executives to generate IP policy implementation strategies for Schools and Institutes to improve local understanding and management of innovation and enterprise. **Update October 2014:** Work on student and academic awareness will continue as the new IP policy is implemented. On the matter of incentivisation (b), the new policy contains clear and potentially significant increased rewards to inventors (students and employees) for the successful commercialisation of research. It is intended that the new financial arrangements will incentivise at an individual level and also increase participation on a wider level across the College's research base. With regard to (c), the new Policy will be disseminated and advertised broadly through internal channels and will be underpinned and promoted by a series of guidelines to be generated by QMI in conjunction with external IP legal support. QMI is also working with QMSE to generate IP policy implementation strategies for Faculties/Schools to improve local understanding and management of innovation and enterprise within each School.	Due	Complete

		Amber	Green		process. QMI should consult academics at the College and on a wider basis, via Practice Unico and AURIL, to understand the levels and/or combination of incentives that will measurably increase the participation of staff. Prolific inventors playing a role as internal IP champions within department: Those academics whom are currently engaged with QMI could be called upon to champion the merits of the College commercialising its IP assets within their departments. The voice of academic staff rather than simply that of QMI could be a useful tool for promoting a wider culture of participation. The use of academics as champions may strengthen the message that the commercialisation of the College's IP will be vitally important for ensuring the future of the College's capacity to be a leading research institution. Prolific inventors should also be a key consultation partner if the College chooses to design mandatory IP training programs and reassess its incentivisation system.					
1415	PBI01	Amber	Implemented	February 2016 ARC	**Evidence provided for proof of engagement** We understand that the College is in the process of designing a new task for Supervisors which will require them to have monthly contact with all postgraduate research students. Communication will be through the MySIS system, and will therefore be automatically recorded. Once this task is implemented, it needs to be overseen by senior academic staff to ensure that it is adopted by all supervisors. In addition, we recommend that the adoption of this task should be monitored as part of each supervisor's yearly performance appraisal process (particularly for postgraduate research students which have been most difficult to get evidence for).	**Accepted** We will take the following action: •The new system will be rolled out at the beginning of Semester 2 2014-15 in January 2015.There will be email communications to all research students, academic staff and school / institute administrators with advice on using the system, uploading reports on supervisions, and about how the information in the system may be used to monitor supervision activity and student progress. •Drop-in sessions will be run by ITS in January 2015 to offer training and advice to students and supervisors on using the new system. Staff will be briefed on the new system and requirements at the faculty DGS Forums and in school meetings. Supervisors will be asked to discuss the system with their students •At the end of Semester 2 reports will be run to check that all registered research students have at least one supervision recorded on the system and that all students have at least one response from the supervisor. The reports will be reviewed by the DGS and PGR administrator in each school/institute. Students who have not	Head of the Research Degrees Office	**Update Dec 2015:** Reports on data in the Supervision Log are available from the Data Quality Team in ARCS on request by schools. The new Business Intelligence tool will provide direct access for schools and institutes and the Research Degrees Office to data in the Supervision Log to facilitate regular monitoring of the use being made of the Log, and to support the use of supervision records as an indication of student engagement. ITS expects the BI reporting facility on research student data to be available by the end of January 2016. **Update July 2015:** The new Supervision Log accessed through MySIS was launched in January 2015 as planned. All research students and their supervisors have access to the supervision log. Professor Jon May, the Director of the Doctoral College, wrote to all research students and to all academic staff to introduce the log and explain its purpose and uses. The Deputy Deans for Research in each faculty include information about the Supervision Log in training for supervisors. As the log was launched part way through 2014-15 it was seen as a period of embedding the new system. Use of the Supervision Log will become mandatory for students and supervisors from Semester 1 2015-16. It is expected that full-time students should upload ten reports per annum to the log (pro-rata for part-time students). This equates broadly to one report per month, taking into account holiday periods, but the intervals between reports may vary according to the stage of the student's research and the requirements for frequency of contact with their supervisor. Reporting from the log is being developed through the Business Intelligence tool and should be available shortly. Therefore it has not been possible to produce the reports proposed in the management response.	Due	Complete

					recorded a supervision interaction and supervisors who have not responded to a student's report will be sent reminders by their school/institute and asked to submit a supervision report/response via the system to an appropriate deadline. Other types of report are under discussion as part of the on-going system development.					
1516	SMD03	Green	Implemented	February 2016 ARC	**Budget monitoring** We obtained the budget reports for period 9 and 11 and chose three items where performance was lower than expected. We then compared the items from period 9 to 11 to identify if improvements were made. We reviewed the minutes from the relevant Institute meetings and noted there was no evidence that the underperformance for two of the three items was discussed and corrective actions identified and monitored. We recommend that when budget reports are reviewed by committees there is discussion of adverse variances and that corrective actions identified are minuted. This will provide assurance to the School Management Team (SMT) and School Executive Group (SEG) that Institutes are undertaking appropriate scrutinising financial information.	**Accepted**	Nick Smith, Executive Officer	**Update Dec 2015:** I have been assured by the SMD Finance partners that these meetings are now being minuted.	Due	Complete
1213	SMDP06	Amber	01/08/2013	February 2016 ARC	**Partner payments for placement students** 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. It is recommended that: - 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. - The SMD inform partners on a timely basis where they are under-performing against the	**Accepted** Action is already in place, to be augmented by agreed quality metrics and backed up with clear accountability for resources disbursed for the support of Education in partner Trusts. This will be managed by the SMD's Dean for Education	Dean for Education	**Update Dec 2015:** Working with Sara Davenport, who is covering for Lesley Elias, we have worked hard to reinvigorate the process of implementation of the SLA. Further work has been undertaken within SMD to develop a template for reporting on KPIs. It has also been agreed to expand the pilot of the SLA to all Trusts with whom we work, including BHT. The pilot should complete by March 2016, and then any further adjustments may be incorporated with the intention that the SLAs will be formally in place for the 2016/17 academic year. **Update Sept 2015:** Most frustratingly, this has stalled within Barts Health NHS Trust. Lesley Elias, the Administrative Officer who was piloting this through their internal structures, has now gone on long-term sick leave and, as yet, no one in the Trust has been able to find her notes. It is therefore possible that we may see a significant delay in progressing this risk. **Update May 2015:** The Service Level Agreement items now all been agreed and Barts Health NHS Trust staff are ready to implement them. Lesley Elias is progressing this within the Trust. Once it has been formally signed off, we will reproduce this with our other partner Trusts. This action is likely to require a further two months for implementation in BHT (due to ongoing internal problems) and six months for full completion.	Overdue	Nov-15

| 1213 | SMDP07 | Amber | 01/08/2013 | February 2016 ARC | **Partner payments for placement students' use of facilities** We identified that certain partners are being paid significantly more for use of facilities by placement students than other partners, which creates a risk that the College is not getting value for money in its medical placements. Two areas merit special attention. - PCTs (Tower Hamlets and City & Hackney) together provide only three medical student placements and yet have a combined facilities charge of £509k (the equivalent charge for three placements from the other partners combined would be just £138k). - The BHT facilities charge is £31.8m, which represents £78k per placement compared to an average of £15k for the other non-PCT partners who combined provide 51% of the total placement numbers. It is recommended that: - Facilities payments to SIFT partners are monitored in the context of placement numbers and where these are significantly higher for certain institutions, the College should consider re-negotiating the fees and the allocation of any students to these partners. | **Accepted** New tariffs from the DoH deal with this issue which is a legacy issue that has been out of the SMD's hands. | Dean for Education | **Update Dec 2015:** Discussions have been held with Sara Davenport at BHT who is covering for Lesley Elias about the increased level of funding that they receive. An initial discussion with the aim of reducing the amount of placement income BHT receives has taken place. Proposal is that we do so over a period of 5-6 years so that they gradually come into line with other Trusts. This is in very early stages but there is a mutual understanding that the current position is unsustainable long term.

PCTs: we no longer allocate any medical students to PCTs.

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| 1516 | SMD01 | Amber | 31/12/2015 | February 2016 ARC | **SMD and Institute risk registers** We obtained the School Risk Register and the individual Institute Risk Registers and sampled nine risks to ensure control activities were operating as stated and were documented in a way that is SMART.

Whilst we confirmed the SMD Risk Register was prepared in-line with guidelines, only 2/6 Institute Risk Register items sampled were fully complete, with KPI's, strategic aims, owners and lead officers missing. In one case the mitigating controls were missing. We also confirmed that while control activities are being performed in line with the School Risk Register, the actions identified were not all considered to be SMART, meaning that risks cannot be appropriately tracked and staff held to account.

Institute risk registers should be updated to ensure that all required fields are complete. In addition the documentation of control activities should be updated to ensure they are SMART. Controls should be allocated timelines for completion and metrics for measurement. We also noted two areas for improvement regarding specific items: - The William Harvey Research Institute had a risk documented with no mitigating control, | **Accepted** | Nick Smith, Executive Officer | **Update Dec 2015:** The requirements have been communicated to Institutes. This will be checked when they prepare their Risk Register for the PAR submissions in the new year.

It was noted that in some cases the recommendations were being used by Institutes but, because they were not "snapshotting" in the application properly these were not recorded properly. | Due | 31-Dec-15 |

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| 1415 | ROR01 | Amber | 31/12/2015 | February 2016 ARC | **Research Strategy**
During our review we identified that the Research Strategy 2012-15 does not include reference to how overheads will be maximised on individual projects and by the overall approach to the types of research the College focuses on.
The approach at the highest level is to increase activity, be in a better position to support large multi-discipline applications and liaise better with industry. However this is not articulated in any document that includes practical steps on how this vision is going to be realised, so that the College targets resources to undertake the most strategically beneficial and profitable research.
We recommend that the College develops a plan for maximising overhead recovery that takes into account the overhead recovery of different types of research and seeks to develop the areas that have the best overhead recovery rates, while balancing this with academic requirements to maintain a high quality of research. This should be documented within the 2016 update to the Research Strategy. | **Accepted**
The College has accepted that it needs to develop a strategy to maximise the overhead recovery rate to the organisation to ensure continued growth.
A review will look at the current research portfolio, agree the strengths and ambitions of the organisation and the financial contributions required to ensure that the infrastructure is sufficient to enable growth. This will be articulated and disseminated throughout the organisation and used as a model and process when applying for externally funded research. | Bill Spence, VP Research | **Update Dec 2015:** The policy on overheard recovery is now in operation. A first report came to QMSE on December 1st and revealed five cases where discussions took place with grant applicant resulting in a change to increase overhead recovery to the required levels; one of these cases involved referral to the VP. Whilst it is still very early in the operation of the new policy, these initial results are encouraging. A subsequent report will come to QMSE in March and include estimates of increased income applicable to the whole year.

The annual Research and Innovation reviews were completed in 2015 and will be undertaken again in April/May 2016. Next year they will also be linked with meetings assessing preparations for the next REF.

The overhead reinvestment scheme is now being applied in S+E and a paper will come to QMSE in the next few months summarising its effects.

The VP Research, through his office or via the Life Sciences Initiative, has recently undertaken a coordination role in preparations and applications for Doctoral Training schemes. This is expected to assist in improving postgraduate applications and generating increased studentship awards. The potential for enhanced administrative support for these programmes is being investigated, due to a need to ensure that QMUL maximises student numbers
The review of costs and benefits of research proved complex upon investigation. A QMSE paper in November 2015 described a planned approach to concentrating on two models of cost and applying these to common types of research grants, with a revised deadline of April 2016.

A new project with a quicker turnaround has been instituted to focus on the issue of the distribution of grant awards by size, and changes over time. This is in order to investigate the argument that grant income has been adversely affected by research concentration and a decline in winning larger grants. We expect a report on this project in January.
Infrastructure: a major step to improving research infrastructure and competitiveness was made with the approval in December of an investment of £4.34 million in research equipment in 2015/16. A PAR case for significant follow-on investment in 2016/17 is also in preparation. | Due | **Proposed revised deadline:** January 2016 |
| 1415 | SDS05 | Green | 01/06/2015 | February 2016 ARC | **Preferred suppliers of courses**
Once the portfolio of courses has been developed, the trainers and providers of the courses need to be identified.
We recommend that for each subject matter trainers are either developed internally or external providers of the courses and activities are identified. A cost benefit analysis should be undertaken to identify | **Accepted**
We will carry out a cost benefit analysis and develop a list of preferred suppliers, starting with the top five courses by spend. | Professor Joy Hinson, Director of CAPD | **Update Dec 2015**: This activity will also enable implementation of SDS01. However development of a preferred supplier list will be dependent on developing a detailed understanding of what training is sourced and funded locally from within department budgets across the rest of the University (i.e. SDS02 is also a prerequisite for this work). As such a revised timescales of Apr 2016 may be more appropriate. | Due | **Proposed revised deadline:** April 2016 |

risk registers should be reviewed and updated regularly to ensure all identified risks are managed through mitigation;
- The Institute of Health Science risk register contained an obsolete risk. We recommend ensuring that risks are regularly reviewed and removed when no longer relevant.

		Green			who, or which organisation, is best placed to provide the course or activity. This must consider the costs, the quality of the service provider and the qualifications needed to provide that course.			**Update May 2015:** Action delayed until the new Head of Professional Development is in post in October 2015. A revised deadline of the end of 2015 is achievable.	Due	
1213	PRO05	Green	31/07/2013	February 2016 ARC	**Stakeholder Engagement** Our discussion with stakeholders around the College found that there was a desire to be more informed when key tenders which affect all departments are taking place. There is currently no formal route in place for the Schools or Professional Service departments to provide feedback on suppliers. We recommend that: - The Schools and Professional Service departments are consulted when considering suppliers to be part of a framework or when a re-tender is in progress. This could involve holding an annual survey to engage stakeholders or developing voting tools to allow stakeholders to have a say in who the key suppliers are for activities undertaken by the Schools; such as travel companies or furniture suppliers. - As part of a performance review of suppliers, the Procurement Team should request feedback from the users every six months on key suppliers.	**Accepted** We will 1 - Ensure there is appropriate stakeholder representation on tender exercises designed for common use of goods or services across QM 2 - Design a suitable user feedback mechanism that will complement the actions to carried out in recommendation no	Head of Procureme nt	**Updated Dec 2015:** Point 1 – Completed Point 2 – We will design and carry out an annual user survey for feedback prior to July 2016. **Update July 2015:** Point 1 –Completed. Point 2 – The majority of key contracts now have milestones assigned against them for performance review. The remainder will be addressed during Q1 and Q2 in 15/16. **Update January 2015:** Point 2 – An e-contract tool has been purchased and implemented to manage material contracts. This incorporates a feedback mechanism. We have loaded all known accessible contracts and will continue to populate the tool with new contracts as they are entered into. IT are now using the e-contract tool, as a pilot, for the operational contract management (this will include the feedback mechanism). Following a successful pilot other areas will be given access.	Due	**Proposed revised deadline:** End of July 2016
1415	CFS02	Green	Immediate	February 2016 ARC	**Payroll starters, leavers and amendments form completion** Our review of payroll starters, leavers and amendments forms identified that: - Three new starter form were not signed by payroll; and - Two leaver forms were not signed by either HR or Payroll. Not fully completing payroll change forms increases the risk that incorrect or unauthorised changes are made to the payroll. We understand that the College is looking to implement a new system next year that will make the process entirely electronic and no longer require paper sign offs. Until the new system is implemented, staff processing new starter, leavers and change of details should be reminded that they should only approve the changes when forms have been properly completed. The College should also consider undertaking quality checks to review starter, leavers and amendments to ensure staff are only processing completed forms.	**Accepted** This should be eliminated once our new system providing workflows with electronic storage and view of documents is in place. However, in the meantime I have emailed all HR staff informing them of the need to either physically sign or electronically sign (depending upon the document and the way it is submitted to HR) going forward.	Tony Pettit - Head of Payroll and Pensions	**Update Dec 2015:** The project to implement Webview is completely on track. All users in HR and Payroll have the new system as well as external users such as School Managers who have read only access. The project is now working on electronic storage of documents and reviewing workflows so that we can use the system to better advantage to improve processes. The project will be completed in full by end of July 2016. **August 2015 Update:** With the introduction of Webview we will have an option to use a workflow system in relation to transactional processes. This system will allow work to flow electronically from Operations to Payroll without the need for paper appointment/leavers/change forms. We are yet to fully understand how this will work in practice and if it will work for all change types but we hope to eliminate all paper flow between the two teams. In terms of timescales, the project has started with the current aim for this to be completed in the current academic year. We will test whether it is possible to develop an electronic process using a workflow to replace the paper change form that is passed from HR to payroll now.	Due	**Proposed revised deadline:** July 2016

| 1516 | SMD02 | Green | 31/12/2015 | February 2016 ARC | **Key Committee Terms of Reference**
We obtained and reviewed terms of reference for the nine key committees at SMD (including the Institute committees) and compared them to good practice. Only one committee (School Space Coordinating Committee) has a terms of reference which address all of the following:
• The purpose of the committee;
• The membership of the committee;
• If applicable, the committee quorum;
• The minimum frequency of meetings;
• If applicable, the committee's responsibility for oversight of other groups or committees; and
• Any other College or groups or committees to which the committee is required to report and at what frequency.

The other eight committees of SMD should consider whether their terms of reference are updated to include the above areas. We also noted three areas for improvement for specific committees as follows:
• The Blizard Institute was not able to provide up-to-date ToR. This should be included as an action point at the next committee meeting.
• The VP Team meeting has terms of reference and is minuted. The minutes should include details of member attendance and absences.
• Barts Cancer Centre and Health Science Institute terms of reference should be updated to include the correct frequency of meetings (meetings occur bi-monthly but the terms of reference refer to monthly meetings). | **Accepted** | Nick Smith, Executive Officer | **Update Dec 2015:** The Blizard Institute has now provided an up to date TOR.

Since the audit recommendations were prepared the Institutes have been made aware of the necessary changes to TOR. In many cases they have not met to ratify these changes. As such I would ask for an extension to Feb 2016 to ensure these take place. | Due | **Proposed revised deadline:** Feb 2016 |
| 1415 | SDS01 | Amber | 01/09/2015 | June 2016 ARC | **Co-ordination of staff development activities**
From the survey results, discussion with staff and analysis of spend there is diverse practice in provision of courses and the amounts being spent. This may not be achieving best value for money as many courses are procured locally by professional services and faculties.
We recommend that staff development activities are co-ordinated through the CAPD to provide courses and activities to staff in order to ensure value for money is achieved. | **Accepted**
This appears to be a rational suggestion which will significantly contribute to the success of strategic aim 1 of the QMUL2015 strategy. It will be difficult to achieve, given current custom and practise across the university and will require a significant change in culture. The successful implementation of this will be absolutely contingent on the purchase and use of a learning management system.
CAPD will develop a strategy to deliver staff development, starting with central Professional Services, outlining key interventions over a five year period, leaving only the specialised areas for directorates to purchase their own training. We will aim to roll | Professor Joy Hinson, Director of CAPD | **Update Dec 2015:** Confirm timescale of June 2016 to confirm a plan to address this issue. Benchmarking of spend per capita, development of a preferred suppliers list, implementation of a learning management system and implementation of a learning and development strategy and policy are all enablers which will need to be completed in order to accurately judge the magnitude of the changes required. Additional note – a PAR bid for a learning management system will be submitted in January 2016, and which is supported by all professional services functions.

Update Sept 2015: No further progress although the Head of Leadership and Personal Development has now been appointed and will be able to progress this action when he is in post in January 2016. I would advise a revised deadline of June 2016 for a plan which will likely need up to a year to implement given the significant change required. | Not yet due | Jun-16 |

1415	SDS02	Amber	01/09/2015	June 2016 ARC	**Suite of development courses to match staff needs** From the survey results we identified a number of courses which were consistently being procured from organisations outside the College. The most common courses were First Aid, Lean Six Sigma, Social Media and Fair Selection and Interview Skills. We recommend the College develops a suite of courses to match the common needs of the academic departments and professional services. This should be refreshed and updated at least annually.	**Accepted** CAPD will conduct a thorough needs analysis to determine the range of courses needed and the appropriate level of provision. This analysis will include faculties as well as Central PS. We will carry out a value for money analysis and determine whether an external or internal provider present best value. Where internal providers are used, CAPD will run a number of train the trainer sessions to allow colleagues at QMUL to deliver this training. For external providers CAPD will establish and maintain a list of preferred suppliers.	Professor Joy Hinson, Director of CAPD	**Update Dec 2015**: March timescale is still achievable for this work, and the outputs will be used to address SDS05 **Update July 2015:** A vetted list of providers is underway (CAPD done, rest of PS in progress). Will be progressed by HOLPD. The plan for 2015-16 is to send reports out in October, January and April.	Not yet due	March 2016 in time for planning for 16/17
1415	SDS07	Green	31/07/2015	June 2016 ARC	**Per capita budget for staff development** At present professional services and faculties can allocate their own budgets to staff development activities. We recommend that the College considers moving towards a per capita budget for staff development activities to ensure an equitable split of activities for staff. These should be flexed locally where necessary by professional services and departments.	**Accepted** We will establish a per capita spend for central PS departments in the first instance and discuss with faculties whether this would be appropriate for their staff.	Professor Joy Hinson, Director of CAPD	**Update Dec 2015**: Benchmarking will be carried out within the HE sector and across other organisations in general. Spend per head is a simple measure which may not reflect accurately the complexity of most faculty activities so extrapolating the activity beyond professional services functions is likely to make the data unrepresentative. Decisions regarding how development budgets are then allocated by finance will need to be taken at QMSE level. **Update July 2015:** No progress. On reflection, this action needs to be revisited given the variation in roles and grades - a better model than per capita spend may be identified by the HoLPD.	Not yet due	Mar-16
1415	ROR06	Green	31/08/2015	June 2016 ARC	**Measures of overhead recovery** Currently overhead recovery is reported in terms of overheads recovered (total award less directly incurred costs) as a percentage of direct staff costs. Although this provides a uniform measure on an aspect of overhead recovery it is not a true measure of the overheads recovered in relation to overheads consumed. We recommend that an additional measure of overhead recovery is introduced that is calculated as the overheads recovered as a % of the full economic cost of the overheads for a project. Overheads recovered would be calculated as award total less full economic cost of directly incurred and attributable costs. This is documented further in Appendix B.	**Accepted** Historically overheads were awarded as a percentage of direct staff involvement at a rate of 46%. This was seen as the accepted level of overheads for non-commercial studies which attracted overheads. Whilst the methodology of costing changed with the introduction of FEC this rate was still retained by the University as a target/acceptable to achieve for this type of research. All costings are presented in the FEC format but it is expected that for commercial studies we should achieve a minimum the full direct and indirect cost recovery ie100% overhead. QMUL Financial Management team are currently involved in an exercise to agree the way we	Pardeep Dhoofer, Head of Reporting and Financial Planning	**Update Dec 2015:** The new Finance Partner for Research Grant is now in post and we are initiating a formal project with JRMO to review current processes. A list of short-term improvements will be investigated initially but more detailed work will be necessary to deliver more long-term benefits and which are likely to require significant systems changes. As a result, we are having to extend the deadline from April 2016 to Jan 2017. **Update Aug 2015:** Following the restructure of Financial Management this will be taken up by the new Finance Partner for Research Grants who is due to start in late October 2015	Not yet due	**Proposed revised deadline:** January 2017

						account and distribute the overhead element of research studies.				
1213	BFM05	Amber	01/08/2013	September 2016 ARC	**Budget holder training** There is scope for improving the training for budget holders with 43% of budget holders perceiving not to have received sufficient training to perform their role. This is supported by 40% of budget holders who do not view their budgets are realistic. There is also no training for Finance Managers on how to explain accounting matters. It is recommended that: - Mandatory training is introduced for budget holders on budget setting and monitoring. - Staff should not be allowed to take on the responsibilities of being a budget manager until they have completed basic training in budget setting and budget monitoring. - Training is introduced for Finance Managers on how to explain accounting matters to non-finance professionals. - The College should consider the potential for using e-Learning software to track attendance and achieve efficiencies in recurring training programmes.	**Accepted** Budget holder training will be re-introduced and a programme developed. The Finance Director approval will be required before a new budget holder is appointed Training needs will be assessed as an integral part of the staff appraisal process. With regards to e-Learning, this should be should be considered in the wider context of the HR strategy on staff development, rather than in isolation in the finance department.	Deputy Director of Financial Management	**Update Dec 2015:** An initial pilot is being booked for 12 and 20 January 2016. **Update Aug 2015:** This project has been delayed further by the necessity to prioritise the 5 Year Plan and as a consequence the agency resource identified to progress this project has left QMUL. New resource has been identified and a further session to review the material has been booked for August 2015. It is intended to conduct a pilot in Autumn 2015. **Update April 2014:** The development of Budget Holder training has been suspended due to the need to prioritise the 2014-15 budget. The aim is to develop this prior to July 2014. This is unlikely to include use of e-learning as this is not well developed within QMUL; QReview has been used for some basic training (e.g. P2P and Fixed Assets) but lack of development makes it difficult to use and we will be monitoring the cost benefit of the existing roll out. Restructure of the Financial Management Team is on hold pending allocation of resources to enhance the team. **Update October 2013:** Budget holder training is in the Finance departmental objectives for 2013/14 to be led by the Deputy Director of Financial Management. Dates have been agreed in conjunction with the CAPD for a pilot in late November 2013 and two further sessions in FY 2013/14. Further sessions will be held in 2014/15 as part of a rolling programme. Once this is under way we can consider the requirement for mandatory training for all new budget holders. We do not currently see the use of e-learning as a fundamental part of budget holder training though do plan to use QReview for more basic training. Training for finance managers is being handled as part of their ongoing development. The structure of the Financial Management team is being reviewed and this will include updating role descriptions and skillsets and evaluating staff against these revised skillsets.	Not yet due (based on revised deadline agreed)	End June 2016
1213	BFM12	Green	01/04/2014	September 2016 ARC	**Surplus by course** Information provided by finance does not help budget holders identify courses that are in surplus or deficit as income and costs are reported in total for all courses in a cost centre. It is recommended that the College designs reports to show budget holders the surplus position by course. If deficits exist, strategic reasons for continuing the course should be documented.	**Accepted** The costing of all courses is an aspirational position for all Universities, particularly with the development of TRAC information. However developing this is a very time and resource intensive exercise, for longer term consideration. Where there are indicators that a course is likely to be operating at a deficit, such as the number of students on a course, the finance team will prepared targeted higher level costings to facilitate management decision making.	Deputy Director of Financial Management	**Update Aug / Dec 2015:** No further update. **Update July 2014:** No further update. The setting up of an Activity Costing Group has been approved by QMSE which will start to address some of these issues and there is an agreed objective within Finance and the COO to move to a target based budget setting process which will ultimately need to be underpinned by an understanding of course surpluses, however this understanding requires better data which will be dependent on achieving activities such as implementation of a new chart of accounts, SWARM and BI. These are planned for 2014-15, meaning that significant progress on course costing is only likely to be achieved from 2015-16. **Update May 2014:** Capacity to deliver this will be generated through the restructure of the senior finance function and additional resources identified through the PAR process.	Not yet due (based on revised deadline agreed)	2016/17

1415	SDS06	Green	01/09/2015	September 2016 ARC	**Provision of further education** Some staff receive substantial funding for additional qualifications such as masters and bachelors degrees. There is no defined policy for when it is appropriate for professional services to provide funding for these qualifications. We recommend that the College develops a policy for provision of such qualifications which are funded wholly, or in part, by the College.	**Accepted** We are presently working on an overarching staff development policy which will include reference to these qualifications. We will consult depts. Across the university in the development of this policy. One option may be to allow staff to take degrees offered by QMUL but not other providers.	Professor Joy Hinson, Director of CAPD	**Update Dec 2015**: Overarching staff development strategy and policy will be developed by CAPD for Jun 16 deadline. The document will include guidance on how QM staff can be funded for additional qualifications, and SDAG will act as the approving body for this work. **Update July 2015:** No progress. To be progressed by the HOLPD.	Not yet due	Jun-16
1415	ROR05	Green	01/08/2016	September 2016 ARC	**Charity research overhead rebate** During our review we noted that when reviewing the recovery rates achieved on research projects funded by charities the College does not take into account the central government 22% rebate on overhead costs for conducting charity funded research. By not taking into account this additional contribution could make charity funded research look like it is achieving a lower recovery on overheads than it actually is. We recommend that when reviewing recovery rates in relation to charity funded research the 22% rebate from central government should be included to demonstrate the true financial position of the research.	**Accepted** There is no mechanism within the current costing tool to recognise the national charity support contribution to individual studies and therefore it does appear that these are under achieving in comparison to direct overhead bearing studies We will request that finance shows the HEFCE Charity support fund income as a separate line in the Faculty and School accounts One the Research Grants Management System is implemented (July 2016) we ensure this information is captured and can be reported on.	Gerry Collins, Contracts and Costing Manager and Manesh Patel, IT Management Accounts	**Update Dec 2015:** No further update	Not yet due	