



draft:	23/03/06
confirmed by chair:	31/03/06
confirmed by committee	24/05/2006
with/without amendments:	

# Risk Management Group

## minutes

date: 23/03/06  
time: 9:30 am  
location: E27, High Wycombe

### 06.10 Minutes of last meeting

06.101 The minutes of the meeting held on the 10<sup>th</sup> January 2005 were approved

### 06.11 Matters arising from the action sheet

06.111 Strategic Risk Register – Research

The Financial Controller and the Dean of Technology had reviewed the research risk and added it to the strategic risk register, this was circulated for comment. It was agreed that the risk was primarily one of reputation, with limited financial exposure. The representative from Leisure & Tourism commented that it may be necessary to review the amount of work put into the production of RAE when there may be no return on this time invested and that also the risks of seeking external funding must be acknowledged. The Chair agreed but stressed that these specific risks and their control strategy should be identified in the Research Strategy.

06.112 Circulation of documents

This had been done.

06.113 VOIP/Fraud

The Chair gave a verbal feedback on the recent meeting on the potential development Voice over Internet protocol. There may be an opportunity to put this into the new front building, although other systems will be considered at that time. The risk that had originally concerned members of the group was that there is an inherent risk in placing reliance for all communications upon one single system and the impact of the network going down in key periods such as Clearing. In reality this change would take a long time to be fully installed as it would have to be built gradually throughout the new campus so that for a considerable period of time the existing telephony systems would remain in place.

There was a presentation recently from Southampton Institute at BBS where they explained their process for dealing with international applications. Within BCUC an international policy is now being worked on. The Financial Controller indicated that there was a more general audit requirement to identify how fraud creates risk.

### 06.12 Performance Indicators and Business Plans

06.121

The Chair gave verbal feedback on these items. Following a discussion with our new Director and the Deputy Director (planning) papers on the new strategic plan, Business Plans and Performance Indicators had been circulated and had been discussed by members of planning board. The Director is setting up two working

parties, one to discuss Business Planning and ARE and the other to look into PIs. The Director has requested volunteers from planning board. Members of Council will also be considering the Performance Indicators and the two groups will be brought together at a later date.

The intention is form a more explicit link between strategic risk, the overall strategic plan and performance indicators, and the way in which these inform business planning and resource allocation at a Faculty and Departmental level. The RMG believes that these developments will create enhanced controls across the spectrum of strategic risk at BCUC and will review the progress of the two groups at our next meeting.

The Risk Management Group would then have a key role in advising and supporting those putting business plans together both in terms of how risks are presented and to ensure that core information is available to aid them.

The representative from Leisure & Tourism commented that a problem that was inherent in the business planning method was that Faculties do not currently use cost centres in terms of Business Planning. The Dean of ASSH asked if it had been considered how this would work in terms of business planning and finance when you were dealing with cross Faculty collaboration. The Financial Controller suggested that Business Plans would assist with this as such activity would be explicitly articulated and resource would follow the activity.

#### **06.13 Membership and Terms of reference**

- 06.131 The Chair confirmed that the membership had been extended to include the Head of Marketing as student recruitment was a key area of risk. The Internal Audit team Manager or representative were also formally added. It was also noted that the Faculty representation has now been changed to being the Dean or named representative to provide consistency.

The terms of reference were considered and it was noted that the group would, in future have a more significant role in terms of promotion of good practice, training and advice. The group is also required to produce an annual report; this year's will be discussed at a meeting with Audit committee on the 22<sup>nd</sup> May. If the RMG does not meet before this the report will be circulated to all members before being presented to the Audit Committee.

**Action: Chair**

#### **06.14 Review of Strategic Risk Register**

- 06.141 The Chair stated that the risk register had been updated from previous meetings and actions that had already taken place as follows:

- 1) Student Numbers: the controls and actions were updated to contain reference to campus development, to take account of the external factors as well as course factors impact upon student retention.
- 2) Success Rates: the controls and actions were updated to take account of the risk register for WP.
- 3) Government Policy: amended to include OFFA and bursaries in the controls an actions
- 5) University Title: Controls and actions updated to the current situation.
- 6) Campus Consolidation: it was agreed that there had been a significant change in the nature of this risk. That there was now a greater risk of disruption which could create issues in both student and staff retention. It was agreed that these risks need to be reviewed continuously during the period of consolidation and development. Members of the RMG agreed on the importance of addressing change management and transitional risk control actions as soon as possible. Members support the view expressed at the recent strategic planning meeting that a specific plan should be developed to manage the disruption to staff and students during the

development phase. The Campus Development Project Board will play a vital role in this and will revise their risk register accordingly. Whilst these actions will help to reduce any negative impact of the development, our probability score will be raised from 3 to 4 to reflect the certain disruption that will take place under the new plan.

9) Responsiveness: As identified in the continuation audit, the controls and actions have been updated to include the development of Performance Indicators and greater use of the planning unit resource.

10) Retention: Again this was amended to directly refer to the risk posed by campus development.

16) Student Satisfaction: It was felt that the campus development on our existing site increased the risk of failing to meet students' expectations. There is also an increasing awareness of the opportunity for litigation within the student community it was felt that legal action resulting from dissatisfaction was an increased probability. The group felt it important to raise the probability of this risk from 2 to 3. Additional controls and actions were identified for this risk: Faculty Board, student satisfaction surveys and campus development PR strategy.

06.142 The representative from Leisure and Tourism felt it was important that there was a reassessment of provision in determining the space requirements for the campus redevelopments and that the understanding of market requirements and future development were identified to inform the development and design process. It was felt it was important that the space requirements were not simply identified as the space currently available or that internal political agendas were used to drive space allocated. It was agreed that the risk of overspend could be controlled by ensuring that the design phase did not outpace organisational or portfolio revisions that emerged from the current strategic planning review.

**Action: Chair to raise the issues of explicit change management in the campus development transition period with particular emphasis on the HR issues.**

**Action: Chair to update item 11, Disruption, from probability score 3 to 4.**

**Action: Chair to update item 16, Student Satisfaction, from probability score 2 to 3.**

## 06.15 Health Faculty Risk Register

06.151 This had been updated and will be forwarded to the RMG Secretary.

**Action: Health Faculty Manager**

## 06.16 Any other Business

06.161 The Chair informed the group of a recent visit from Zurich, the institutions Insurers, this was a freely provided "health check" service looking at operational risk management. We are still awaiting the report.

## 06.17 The date of next meeting

06.171 This had been planned for the 10<sup>th</sup> May. However, campus development Faculty meetings had now been arranged for this day and the RMG meeting will therefore be rearranged for a later date.

**Action: Chair**