

Audit and Assurance Committee Meeting

Date of Meeting	Tuesday 5 October 2021
Paper Title	Review of Assigned College Risk Registers
Agenda Item	18
Paper Number	AAC1-L
Responsible Officer	Jim Godfrey, Finance & Resources Director
Status	Disclosable
Action	For Noting

1. Executive Summary

1.1. This paper provides a review of the risk registers of the assigned colleges.

2. Recommendations

2.1. The Committee is invited to **note** that:

- The risk registers of the assigned colleges were considered by the Audit Committees of the colleges.
- The latest risk registers of the three colleges have been provided to, and reviewed by, the GCRB Finance & Resources Director.
- The timing of Audit Committees means that the (assigned college) risk registers are currently being considered by Boards and therefore subject to change.

3. Background

- 3.1.** The management of risk is clearly an important issue for GCRB in respect of its systems of internal control. Extensive work has taken place to further develop, and enhance, GCRB's arrangements in respect of risk.

4. Report

- 4.1.** The colleges send a copy of their most recent risk registers to the GCRB Finance & Resources Director on a regular basis. The risk registers of all three colleges were updated at the end of September 2021.
- 4.2.** The format of this report includes the high, and medium, level risks identified by the colleges. These are shown in the Annex to this report. Within the Annex the high risks are shown in bold text against a darker background. Additionally, a small arrow is shown against each risk to indicate whether the college believes this risk is increasing, decreasing or remaining the same.
- 4.3.** The risk registers have been reviewed and the following observations are made:
- The timing of Audit Committees means that the (assigned college) risk registers are currently being considered by Boards and therefore may change.
 - The risks are those identified by the individual colleges pertaining to their strategic plans. As such, there will be some risks that are specific to one college.
 - However, there are many risks that are common to all colleges e.g. financial sustainability, funding, industrial relations and cyber security. These risks also feature on the GCRB risk register.
 - Some of the risks facing the colleges are impacted by factors that are outside the direct control of the college.
 - There have been a small number of changes to the college risk registers, both in terms of the identified risks and the evaluation of risks. In overall terms, the risk registers show little change over the summer period.
 - There are few risks being evaluated as high risk (24%), with the majority (76%) now falling into the medium category. This is in marked contrast with the position at the end of 2020.
 - Financial risks feature heavily in the college risk registers. The improving financial health, and additional funding provided in 2021, has enabled the evaluation of financial risks to be reduced compared to the previous year.

5. Risk and Compliance Analysis

- 5.1.** The key risks relating to each college are set out in the body of the report. Some of these risks are specific to an individual college but, as can be seen, many risks are common to all colleges and the risks facing the Glasgow college region. This report will also inform the GCRB risk register.
- 5.2.** There are no legal implications arising from this report.

6. Financial and Resource Analysis

6.1. There are no direct financial implications as a result of this report. The quarterly review of college risk registers, and reporting to the Audit and Assurance Committee, is undertaken by the GCRB Finance & Resources Director.
















7. Equalities Implications

7.1. There are no equalities implications arising from this report.












8. Learner Implications

8.1. A number of risks have the potential to impact on the learner experience. The management of these risks is a core element of the college strategy.

8.2. Through the conditions of grant associated with the Regional Outcome Agreement, GCRB is required to conduct its affairs in accordance with the expected standards of good governance, which include establishing appropriate arrangements in relation to risk.

City of Glasgow College 22 September 2021	Glasgow Clyde College 21 September 2021	Glasgow Kelvin College 21 September 2021
	High impact disaster for the college.x 	
Failure to agree a sustainable model and level of grant funding within Glasgow Region.x 		Unfavourable change in the allocation of resources/student activity by the SFC or the Regional Board to the College.x 
	Adverse funding changes in 2021-22 and future years.x 	Unfavourable change in the overall quantum of sector funding.x 
	Failure to reduce College cost base on managed basis to meet requirements of the three year financial forecast.x 	Failure to maintain financial sustainability.x 
		Unfavourable change in the cost of pensions, salaries and NI costs for staff terms and conditions.x 
Failure to maximise income through diversification.x 	Failure to achieve surplus targets for commercial activity.x 	
		The college does not receive any ESF payment or partial payment.x 
		Failure to have available cash to make payments as they fall due in the short and long term including ability to pay staff wages.x 
Negative Impact of industrial action.x 	Negative impact on employee relations at a national level (e.g. national bargaining & industrial action).x 	Failure to develop and maintain good industrial relations.x 

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		High Absence rates make it impossible to provide appropriate quality of planned service. →
		The College may face litigation due to breaches of employment law and other legislation. →
Failure to manage performance. →	Failure in any area of college data management processes. →	
	Failure of College operational processes/systems/ICT infrastructure (including risk of fraud and cyber-attack). →	Lack of security awareness increases the likelihood of a cyber-attack or data breach. →
		Inappropriate access is made to ICT systems or inappropriate use by authorised users. →
		Inability of the College to protect against cyber-attacks. →
		Contingency Plans are ineffective resulting in the college being unable to restore its systems in a timeous manner. →
		Failure to maintain and develop buildings to a sufficiently high standard for delivery of high quality learning and teaching. →

City of Glasgow College 22 September 2021	Glasgow Clyde College 21 September 2021	Glasgow Kelvin College 21 September 2021
	Failure to achieve contracted overall teaching delivery targets for any key partner. 	
	Failure to achieve acceptably high standard quality of teaching delivery and support for students and suitable student experience. 	Learners are not appropriately supported during their enrolment, the College fails to retain sufficient numbers or they fail to make sufficient progress. 
		The College is unable to deliver some, or all of its services, or meet its statutory obligations as a consequence of an unforeseen event. 
		Children, young people and vulnerable adults may be subject to abusive behaviour. 
Failure to achieve taught degree awarding powers. 		
Failure of business continuity. 		
Failure to achieve improved business development performance with stakeholders. 		
Negative impact upon college reputation. 		Poor public relations image and perception of College. 
		Loss or failure to prevent fraud resulting in reputational damage. 
Negative impact of Brexit. 