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## Audit and Assurance Committee

Date of Meeting	Tuesday 26 March 2024
Paper Title	GCRB Risk Register 2024 Committee Discussion
Agenda Item	9
Paper Number	AAC3-E
Responsible Officer	Martin Boyle, Executive Director
Status	Disclosable
Action	For Discussion

### 1. Executive Summary

- 1.1** The GCRB board held a risk review session with the internal auditor on Monday 30 October 2023. The purpose of this session was to consider the current risk register, provide comment on future direction and guidance on activity for refreshing the risk register.
- 1.2** The revised and refreshed Risk Register was considered and adopted by the GCRB Board on 29 January 2024, with the Chair directing the Executive Director and Audit and Assurance Committee to consider the following elements in greater detail:
- The suggestion that the Risk Descriptions also include a 'cause and effect' statement
  - The suggestion that the Risk Register should include a 'black' or 'existential' risks category
  - Consideration of the suggested Risk Appetite scores to provide comment to Chair and Board on the current recognised levels

### 2. Recommendations

- 2.1** It is recommended that committee provide **comment** on the specific questions noted above in 1.2 to provide input to the development of the refreshed Risk Register.

### **3. Report**

- 3.1** The overall Risk Register, content, wording and scoring has been approved by the GCRB board in line with its remit and responsibilities. Committee is therefore invited to provide comment and guidance on the specific questions outlined above in line with the guidance of the GCRB Chair.
- 3.2** Any potential edits will be considered for inclusion in the Risk Register which is brought to the GCRB board in April 2024.
- 3.3** The general view of the Executive Director on the three questions is as follows:
- ‘Cause and effect’ statements: This approach was not taken due to the previous board guidance to provide shorter, sharper and clearer risks. However, it may be appropriate to include a ‘cause and effect’ statement in the Mitigating Actions section of the risk register to provide context.
  - ‘Black’ or ‘existential’ risks: This approach was considered but rejected due to the measurable nature of the risks, with this level of risk deemed to be appropriately covered by the scoring system and dialogue. A non-quantifiable category would be out of keeping with the rest of the system and akin to simply adding another number.
  - Risk Appetite scoring: The suggested scores are intended to be in line with the agreed strategy, board discussion and overall approach of GCRB. However, there is scope for flexibility if committee, board and chair take a view. This would be welcomed to ensure that the approach is appropriately calibrated.
- 3.4** For information, the following extracts from the Committee’s terms of reference outline its role in relation to risk management.

The Committee shall advise the Board and Executive Director on:

- a) the strategic processes for risk, control and governance and the governance statement;

In relation to the assigned colleges the Audit & Assurance Committee will:

- a) receive regular reports on risks identified by the assigned colleges
- b) ensure that risks identified by the assigned colleges inform GCRB’s consideration of risks

**4. Risk and Compliance Analysis**

**4.1** The Risk Register forms an important element of GCRB's approach to good governance, identifying, monitoring and mitigating against risk and empowering board and executive to direct activity and resources appropriately.

**5. Financial and Resource Analysis**

**5.1** There are no specific financial and resource implications to the specific questions raised by this paper. More broadly, the Risk Register is one mechanism by which financial and resources risks are monitored.

**6. Equalities Implications**

**6.1** There are no specific equalities implications raised by this paper.

**7. Learner Implications**

**7.1** There are no specific learner implications raised by this paper.

STRATEGY		RISKS	EVALUATION OF RISK					MANAGEMENT OF RISK			
Our Strategic Goals	Risk ID		Risk Description	Likelihood	Impact	Net Risk Score	Risk Appetite	Recent Trend	Mitigating Actions	Lead for Risk Management Action Plan	Aim
2, 3	001	System change, including national and regional review, forces GCRB into a position which is against our role and purpose, and reduces regional collaboration (1)	4	5	20	Medium	➡	<ul style="list-style-type: none"> <li>Ensure GCRB at board and executive level participates in regional and national environment scanning and scenario planning</li> <li>Board is provided with updates at relevant stages to ensure understanding of processes</li> <li>Board and committee agendas are managed to ensure contribution, augmented by briefing notes and associated material</li> <li>Regional strategic direction is monitored and reviewed</li> <li>External engagement and planning is consistently delivered, led by Chair and Executive Director, working with wide range of organisations including Scottish Government, SFC and other key partners</li> </ul>	Executive Director	Reduce	<p>Ministerial statement to January 2024 Audit Committee indicated next stage of decision-making process to be confirmed March 2024.</p> <p>GCRB Executive Director and Chair continue to hold relevant meetings with external links, to monitor and report appropriately</p>
1, 2, 3	002	The Glasgow college regional strategy is not effectively and collaboratively delivered (1)	4	4	16	Medium	➡	<ul style="list-style-type: none"> <li>Strategy is shared, and monitored via Chair, Executive Director and board</li> <li>Collaborative planning and delivery opportunities are taken up, working with colleges, Student Associations and external partners such as local authorities</li> <li>Decision making processes at executive, committee and board are clearly informed by strategy and national direction</li> <li>Collaborative approach is enhanced via GCG and other working groups</li> <li>Strategic direction, expectations and requirements are clearly communicated and shared on a regular basis, monitored and reported.</li> </ul>	Executive Director	Reduce	GCRB current strategy is newly developed and is being developed by addition of refreshed risk approach. Workshops continue to develop work in this space, alongside evolving reporting approach.
1, 2, 3	003	An ineffective regional curriculum impacts students, communities and the economy (1)	4	4	0	Medium	➡	<ul style="list-style-type: none"> <li>Work with SFC, GCG L&amp;T, QAA and GCRB working group to enhance and evolve data-led monitoring, planning and reporting</li> <li>Evolve reporting over 2024 to provide more effective approach with view to 24-25 in line with national plan</li> <li>Consider regional review of coherent Glasgow curriculum to bring together individual college curriculum reviews and better understand at-risk areas as well as growth opportunities</li> <li>Maintain shared and agreed cross-colleges regional approach to curriculum planning and delivery via MoU</li> <li>Work with partner organisations such as SDS and city councils to understand current and emerging needs, enhanced by cross-colleges information sharing</li> <li>Work with Education Scotland to plan and coordinate review processes, and to consider emerging regional review information to form action plan as required</li> </ul>	Executive Director	Reduce	<p>Cross-colleges regional planning continues via GCG L&amp;T group, coordination of OA, and discussion on specific terms such as FAs. Progress on-going in developing OA, FA plan etc. Cross-region working in areas such as Just Transition include meetings with council, colleges and other partners.</p> <p>Latest monitoring information considered by P&amp;R Committee. Curriculum change to date generally in line with SFC credit changes and mainly via rationalisation and removal of duplication. Subsequent risk to 24-25 to be carefully monitored as budget is confirmed.</p>
2	004	Financial sustainability and failure to achieve targets is impacted by available funding in the short term (1)	5	4	20	Medium	➡	<ul style="list-style-type: none"> <li>Develop, and enhance, long term financial planning</li> <li>Collate information and identify funding priorities for lobbying</li> <li>Strengthen key external relationships (SFC, SG, SDS)</li> <li>Monitor, and assess, the full impact of the budget settlement 2024-25.</li> <li>Identify colleges currently developing plans</li> <li>Staff reductions, including redundancy, underway in Glasgow.</li> </ul>	Finance & Resources Director	Reduce	<p>Latest monitoring information considered by P&amp;R Committee. Engagement with SFC, CS, SG, SQA etc to focus on key emerging issues. On-going challenge sector-wide in meeting targets.</p> <p>Recent funding settlements (post-Covid19) have been very challenging. Anticipated reductions in grant funding (for 2024-25) compound the impact of cost increases (as a result of high inflation and wage rises). The final settlement is expected in March 2024 and engagement with colleges has continued to address individual challenges and responses.</p>
2, 3	005	Ineffective collaboration in the Glasgow college system reduces our collective impact and the delivery of a sustainable future model (1)	4	4	16	Medium	➡	<ul style="list-style-type: none"> <li>Regional inclusion in all activity, with appropriate cross-colleges membership and attendance at governance, executive and functional levels on a regular basis</li> <li>Continued focus on collaborative, cooperative and regional approaches and solutions in all activity from board to functional</li> <li>Support and engagement in the Glasgow College Group committees in support of coherent, joined-up regional approaches</li> <li>Enhance project-led regional approach to delivery of strategic objectives, noting the loss of the 'regional leads' function and associated reduced GCRB capacity</li> <li>Contribute, and lead where appropriate, on collaborative activity with internal and external stakeholders</li> </ul>	Executive Director	Reduce	Effective practice has emerged where collaboration is embedded, effective and unambiguous. The current structures in the region continue to make fully effective collaboration a significant challenge, and it is hoped that the Ministerial guidance in March will begin to provide a roadmap for future direction.
3	006	GCRB does not develop and maintain effective external relations (2)	3	3	9	Medium	➡	<ul style="list-style-type: none"> <li>Communications strategy approved by the board, outlining engagement activity and priorities</li> <li>Effective communication with three colleges, supporting and aligning activity</li> <li>Effective communication with board members: manage information flow and board/committee governance; provide regular, relevant updates; promote opportunities for GCRB engagement, utilising board member skills</li> <li>External engagement plans focused on SG, SFC, key stakeholders and partners, prioritising regional review activity and membership of key decision making and working groups</li> <li>Collaborative communications to promote the benefits of a regional approach and enhance understanding of GCRB's role and purpose</li> <li>Reputation and issues management for GCRB and the Glasgow college region</li> <li>Support stakeholder and partners campaigns</li> </ul>	Executive Director & Marketing and Comms Lead	Maintain	<ul style="list-style-type: none"> <li>GCRB Exec and Chair continue to work to deliver effective communications and engagement with SG, SFC, three colleges, unions and stakeholders on key areas such as review activity, regional finances and financial mitigations. This has included extensive stakeholder engagement and meetings with relevant people and organisations.</li> <li>On-going in close adherence to SFC guidelines and working with colleges</li> <li>Communications strategy progress reported via activity report presented to board members</li> <li>Ongoing regular communications meetings with all three colleges, stakeholders and partners.</li> <li>GCRB e-bulletin highlighting the region's continued work and collaborative approach in specific areas</li> </ul>
2	007	GCRB does not have the necessary capacity and capability to deliver our objectives (2)	2	2	4	Low	➡	<ul style="list-style-type: none"> <li>GCRB staffing level is continuously monitored alongside required workload and reported appropriately</li> <li>Work annual cycle and board and committee cycle are planned and communicated, including consideration of all work requirements</li> <li>High-volume periods, new projects, and anticipated changes are monitored, planned and work allocated appropriately</li> <li>Prioritisation of resource is made in line with regional strategy, identified risk and agreement of Chair and Executive Director</li> <li>Collaborative and inclusive management structure builds capacity to achieve regional ambitions</li> <li>Fair Work Framework values fully embedded within GCRB's employer duties, and that capacity and core activity are supported through the review process</li> <li>Monitor capacity to deliver: employee wellbeing, support, training needs etc regularly monitored with feedback opportunity</li> <li>Specialist requirements at executive and board level monitored, augmented via fixed-term approach and via board capacity review and recruitment processes</li> </ul>	Executive Director & Board Secretary	Maintain	<p>Staffing complement and allocations currently being reviewed to consider appropriate fit with current remit, and to consider alternative approaches to delivery of changed remit dependent on guidance.</p> <p>Recruitment processes for relevant posts under GCRB responsibility, including non-executives and college chairs, is progressing well.</p>
2	008	A breach of legislation or regulatory requirements results in a failure of governance (2)	2	2	4	Low	➡	<ul style="list-style-type: none"> <li>Board secretary role includes clear responsibility in areas of governance requirements, with monitoring, reporting and information sharing on regular basis to committees and board</li> <li>Finance-specific requirements monitored by Finance and Resources Director</li> <li>Effective communication with board members: manage information flow and board/committee governance; provide regular, relevant updates; promote opportunities for GCRB engagement, utilising board member skills</li> <li>Engagement with appropriate external bodies, including Colleges Scotland, CDN, SFC and Scottish Government ensures GCRB currency in all change programmes and legislative and regulatory requirements</li> </ul>	Board Secretary	Maintain	<p>Updates on requirements continue to be provided at appropriate forums, including executive team meetings, committees, board etc.</p> <p>Relevant issues are monitored effectively, and processes are working well as reflected by audit process.</p>
2	009	Inadequate controls and preventative measures result in a breach (e.g. cyber attack, fraudulent activity) (2)	2	3	6	Low	➡	<ul style="list-style-type: none"> <li>Cross-colleges IT group shares common information, monitors emerging risk and takes appropriate action, sharing best practice</li> <li>Appropriate cyber security credentials are maintained and reported as appropriate via correct channels</li> <li>GCRB makes use of most appropriate support - including the contracting of external specialist IT support and security to provide assurance and expertise for the organisation independent of any local working arrangements</li> <li>Control measures for other requirements of good governance and sound activity across key areas such as finance, are appropriately planned, reported, monitored and audited</li> <li>Clear line of communication and reporting to Audit Committee is maintained effectively</li> <li>Changes in processes, guidance, law etc are clearly communicated to executive, board, partners etc as appropriate, actioned, and CPD offered as required</li> </ul>	Executive Director & Finance & Resources Director	Maintain	<p>GCRB has contracted an external company to provide elements of IT support and cyber security, ensuring a high level of assurance, service and baseline business requirements are met.</p> <p>Assurance on other elements of compliance and security are reported to GCRB, shared with other colleges, and reported to committee for information.</p>
2, 3	010	Scenario planning and stress testing is inadequate to mitigate against major emerging risks (2)	2	3	6	Low	➡	<ul style="list-style-type: none"> <li>GCRB policies and procedures form formal approach to safeguard and mitigate in specific areas</li> <li>Policies are effectively monitored and changed via appropriate governance function</li> <li>New approaches and ways of working developed to meet emerging challenges</li> <li>Approach to scenario planning and stress testing to be reviewed as part of forthcoming internal audit cycle with recommendations developed for action with appropriate committees</li> </ul>	Executive Director	Maintain	Following discussion with Audit chair and internal auditor it is intended that the next phase of this work will be developed following internal audit as part of next phase of activity.

3	011	GCRB is unable to deliver against its regional environment and sustainability strategy (3)	2	3	6	Low	➡	<ul style="list-style-type: none"> <li>Regional environment and sustainability strategy developed, monitored and reported as part of annual cycle</li> <li>Formal reporting via Outcome Agreement of required actions, measurements and targets, with increased an enhanced reporting under development</li> <li>Standing meetings of regional environment and sustainability group ensure cross-regional communication, sharing and best practice opportunities</li> <li>Specific ownership of environment and sustainability work via Performance and Resources Committee</li> <li>Regular engagement with external stakeholders, including EAUC, CDN and Glasgow City Council in support of regional Just Transitions plan</li> <li>Regular engagement with Glasgow Colleges Group relevant committees to co-design appropriate actions</li> </ul>	Executive Director	Maintain	Regional meetings have continued to take place and to provide a shared space for development and information sharing. The region-wide survey has been completed, information shared with GCG committees, GCRB committee and board.
3	012	GCRB's Programme of Action investment fails to deliver intended outcomes, impact and benefits (3)	2	3	0	Low	➡	<ul style="list-style-type: none"> <li>Meetings with delivery partners ensure regular communication and effective feedback loops</li> <li>Informal monitoring processes, including with college partners, allows for in-year iterations</li> <li>Formal monitoring process happens in line with annual cycle of reporting to executive and governance assurance to board</li> <li>POA is effectively linked to regional need and regional strategy, and is appropriately budgeted and planned with board and partners as part of annual strategy and finance development</li> <li>Lesamer input delivered via regular engagement cycle via Student Unions</li> </ul>	Executive Director	Maintain	Programme partners are in the process of providing reviews for assurance purposes and consideration. Meetings with partners are ongoing to develop plans for 24-25.