

## Audit and Assurance Committee Meeting

Date of Meeting	Tuesday 1 June 2021
Paper Title	Review of Assigned College Risk Registers
Agenda Item	12
Paper Number	AAC6-H
Responsible Officer	Jim Godfrey, Finance & Resources Director
Status	Disclosable
Action	For Noting

### 1. Report Purpose

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 City of Glasgow and Clyde colleges were updated by the colleges in May 2021 and the risk register of Glasgow Kelvin College was revised in March 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.
- There have been a number of changes to the college risk registers both in terms of the identified risks and the evaluation of risks. In overall terms, there has been a reduction in the risk scores.
- There are fewer risks being evaluated as high risk, with the majority 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, particularly at Glasgow Kelvin and Glasgow Clyde Colleges, has enabled the evaluation of financial risks to be reduced.
- Some of the key risks identified by the colleges are factors that might affect the college i.e. there are some risks that are outside the control of the college. Additionally, the risks are those relating to the strategic ambitions of each individual college.
- There are a number of 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.

## **5. Equalities Implications**

**5.1.** There are no equalities implications arising from this report.

## **6. Legal Implications**

**6.1.** There are no legal implications arising from this report.











## **7. Resource Implications**













**7.1.** 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.

## **8. Strategic Plan Implications**

**8.1.** 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 7 May 2021	Glasgow Clyde College 26 May 2021	Glasgow Kelvin College 23 March 2021
Failure to maintain acute threats relating to the coronavirus outbreak. →	High impact disaster for the college. →	
Failure to agree a sustainable model and level of grant funding within Glasgow Region. →		Unfavourable change in the allocation of resources/student activity by the SFC or the Regional Board to the College. →
	Adverse funding changes in 2020-21 and future years. →	<b>Unfavourable change in the overall quantum of sector funding.</b> →
<b>Failure to achieve operating surplus via control of costs and achievement of income targets.</b> →	<b>Failure to reduce College cost base on managed basis to meet requirements of the three year financial forecast.</b> →	Failure to maintain financial sustainability. →
		Unfavourable change in the cost of pensions, salaries and NI costs for staff terms and conditions. →
<b>Failure to maximise income through diversification.</b> →	<b>Failure to achieve surplus targets for commercial activity.</b> →	
		<b>The college does not receive any ESF payment or partial payment.</b> →
		Failure to have available cash to make payments as they fall due in the short and long term including ability to pay staff wages. →
Negative Impact of industrial action. →	<b>Negative impact on employee relations at a national level (e.g. national bargaining &amp; industrial action).</b> →	Failure to develop and maintain good industrial relations. →

City of Glasgow College 7 May 2021	Glasgow Clyde College 26 May 2021	Glasgow Kelvin College 23 March 2021
		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 of compliance with the General Data Protection Regulations (GDPR). 		
	Failure in any area of college data management processes. 	
	<b>Failure of College operational processes/systems/ICT infrastructure (including risk of fraud and cyber-attack).</b> 	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 7 May 2021	Glasgow Clyde College 26 May 2021	Glasgow Kelvin College 23 March 2021
	Failure to achieve contracted overall teaching delivery targets for any key partner. 	
Failure to support successful student outcomes. 	Failure to achieve acceptably high standard of quality of teaching delivery and support for students. 	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. 