

Audit Committee Meeting

Date of Meeting	Tuesday 8 October 2019
Paper Title	Review of Assigned College Risk Registers
Agenda Item	18
Paper Number	AC1-P
Responsible Officer	Jim Godfrey, Finance & Resources Director
Status	Disclosable
Action	For information

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 Finance & Resources Director.
- In overall terms, the identified risks have remained fairly constant over the last four months with a small number of minor changes.

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 Finance & Resources Director on a regular basis. The risk registers of all three colleges were reviewed in September 2019.

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 made:

- Within City of Glasgow College the risks identified are generally consistent with previous reports. One new risk has been added in respect of an adverse risk to the college's reputation.
- Within Glasgow Kelvin College, the total number of high and medium risks has not changed. Members may recall that the evaluated risk score for many risks increased at the end of the previous financial year. In overall terms, the trend for many risks has remained fairly constant in the last four months with minor adjustments to a small number of risks.
- An emerging risk within Glasgow Clyde College, relates to the funding required for the Voluntary Severance Scheme.
- Many of the key risks identified by the colleges are factors that might affect the college. None of the colleges have identified risks relating to performance e.g. the failure to deliver successful performance/outcomes.
- There are a number of risks that are common to all colleges e.g. government funding, industrial relations and cyber security. Such risks also feature on the regional 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 Committee, is undertaken by the 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 26 September 2019	Glasgow Clyde College 30 September 2019	Glasgow Kelvin College 17 September 2019
Failure of business continuity. →		
Failure to agree a sustainable model and level of grant funding within Glasgow Region. →	Adverse Funding Changes in 2019-20. ↘	Unfavourable change in the allocation of resources/student activity by the SFC or the Regional Board to the College. ↗
		Unfavourable change in the overall quantum of sector funding. →
	Failure to reduce College cost base on managed basis to meet requirements of the five year financial forecast. →	Failure to maintain financial sustainability. →
		Unfavourable change in the cost of pensions, salaries and NI costs for staff terms and conditions. ↘
Failure to maximise income through diversification. →	Failure to achieve surplus targets for commercial activity. →	College fails to secure budgeted income. →
	Failure to achieve/maintain planned levels of non-SFC income. ↗	
	Potential for refusal of SFC to fund VS. ↗	
		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. →	Negative impact on employee relations (e.g. national bargaining, industrial action, local consultation). ↘	Failure to develop and maintain good industrial relations. →
		Loss of key staff. →

City of Glasgow College 26 September 2019	Glasgow Clyde College 22 May 2019	Glasgow Kelvin College 17 September 2019
		High Absence rates make it impossible to provide appropriate quality of planned service. 
Failure of compliance with the General Data Protection Regulations (GDPR) 	Failure to meet all legislative and regulatory requirements and/or recommended guidance.x 	The College may face litigation due to breaches of employment law and other legislation. 
Failure of IT system security. 	Failure of College operational processes/systems /ICT infrastructure (including risk of fraud).x 	College ICT systems suffer total or partial failure. 
		Inappropriate access is made to ICT systems or inappropriate use by authorised users. 
		Failure to resource replacement and maintenance of ICT hardware and infrastructure. 
		Failure to maintain and develop buildings to a sufficiently high standard for delivery of high quality learning and teaching. 
		Learners are not appropriately supported during their enrolment, the College fails to retain sufficient numbers or they fail to make sufficient progress. 
		Children, young people and vulnerable adults may be subject to abusive behaviour. 
Negative impact upon college reputation. 		Poor public relations image and perception of College. 