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| Audit and Assurance Committee Meeting | |
| Date of Meeting | Tuesday 14 January 2020 |
| Paper Title | Review of Assigned College Risk Registers |
| Agenda Item | 17 |
| Paper Number | AC2-L |
| Responsible Officer | Jim Godfrey, Interim Executive Director |
| Status | Disclosable |
| Action | For information |

1. Report Purpose
   1. This paper provides a review of the risk registers of the assigned colleges.
2. Recommendations
   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 Interim Executive Director.
   * In overall terms, the identified risks have remained constant over the last three with few changes to the assessment of risks facing the colleges.
3. Background
   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
   1. The colleges send a copy of their most recent risk registers to the Interim Executive Director on a regular basis. The risk registers of all three colleges were reviewed in January 2020.
   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.
   3. The risk registers have been reviewed and the following observations made:
   * In City of Glasgow College the risks, and risk scores, are consistent with the previous report. The one risk that is considered to be high relates to the potential risk of damage to the reputation of the college.
   * Within Glasgow Kelvin College, the total number of high and medium risks is similar to the previous report. There has been little change to the college’s assessment of the likelihood, or impact, of a risk occurring.
   * Glasgow Clyde College has identified two risks with an increased risk score; negative impact on employee relations and the potential to failing to achieve high quality standards for learning and teaching. The remaining risks are little changed.
   * Many of the key risks identified by the colleges are factors that might affect the college i.e. there are some risks that a college consider to be outside of its control.
   * 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
   1. There are no equalities implications arising from this report.
6. Legal Implications
   1. There are no legal implications arising from this report.
7. Resource Implications
   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 Interim Executive Director.
8. Strategic Plan Implications
   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.

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| City of Glasgow College | Glasgow Clyde College | Glasgow Kelvin College |
| 21 November 2019 | 11 December 2019 | **9 December 2019** |
| 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.** |
|  |  | **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.** |

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| City of Glasgow College | Glasgow Clyde College | Glasgow Kelvin College |
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|  |  | **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. | The College may face litigation due to breaches of employment law and other legislation. |
|  | Failure of College operational processes/systems/ICT infrastructure (including risk of fraud and cyber attack). | 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. |
|  | 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. |
|  |  | 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. |