

Board Meeting

Date of Meeting	Monday 26 March 2018
Paper Title	GCRB Risk Register
Agenda Item	8
Paper Number	BM4-D
Responsible Officer	Robin Ashton, GCRB Executive Director
Status	Disclosable
Action	For Discussion

1. Report Purpose

- 1.1. This paper provides an update of the process for managing risk and asks the Board to review a number of key risks.

2. Recommendations

- 2.1. The Board is invited to:

- **consider** the evaluation of these risks and **amend** as appropriate;
- **discuss** the three key risks identified and **consider** any mitigating actions.

3. Background

- 3.1. The risk register was considered by the Board at its last meeting on 18 December 2017 and the Committee reviewed the following risks.

Risk ID	Risk Description
007	Financial sustainability is jeopardised by a reduction in funding and/or an increase in costs.
008	Failure to achieve the targets set out in the Regional Outcome Agreement lessens our ability to meet regional needs.
012	There is a breach of legislation/guidance/code of practice and this results in a failure of governance.

4. Revisions to Risk Register

- 4.1. The Risk Register has again been revised to reflect developments since the last Board Meeting. These comments are reflected in the update column on the right hand side of the risk register. The Risk Register was reviewed every two weeks by the GCRB Executive between January to March.

- 4.2. The risk scores have been evaluated by the Executive and no overall changes are proposed.

4.3. The Board is invited to consider the evaluation of risks and amend if appropriate.

5. Discussion of Risks

5.1. The Board has agreed that it will review a number of risks at each meeting, in order that all risks will be reviewed at least once per annum. Three risks have been selected for consideration at this meeting of the Board as follows:

Risk ID	Risk Description
001	Poor environment scanning, and scenario planning, results in a failure to respond proactively to macro-level changes.
005	A failure to effectively plan/monitor our educational delivery results in the curriculum not meeting regional economic and social needs.
011	The capacity and capability of the Board is inadequate and standards of governance fall below the level required.

5.2. The following comments are offered by way of additional information to assist with a discussion regarding the risks identified:

- At its meeting on 6 March 2018, the Audit Committee considered a report on the review of colleges and regional strategic bodies by Audit Scotland. A significant amount of work has taken place during March to provide input as part of the audit fieldwork. It is expected that the report will be published in June 2018 (Impact on Risk 001).
- The three colleges were required to provide a response to the recommendations of the Cole Report in February 2018. Copies of the responses were provided to GCRB. (Impact on Risk 001).
- A ‘Horizon Scanning’ paper was discussed at a meeting of college and GCRB chairs, Principals and the Executive Director in March 2018 (Impact on Risk 001).
- The Board will consider (at this meeting) the draft Regional Outcome Agreement. These targets reflect the Scottish Government’s aim of ‘intensification’ and the setting of more ambitious targets for the colleges and the region. The draft ROA also takes account of the updated Regional Skills Assessment for Glasgow and the outputs of Curriculum Hub reviews considered by the GCRB Board at its December meeting (Impact on Risk 005).
- The Board will consider (at this meeting) the College Evaluative Reports and Enhancement Plans (Impact on Risk 005).
- The procurement of a new student MIS system(s) will provide opportunities to improve the capacity to plan and monitor student data at both college and regional levels (Impact on Risk 005).
- The Chair of GCRB took up the role in January 2018 (Impact on Risk 011).
- The recruitment of new non-executive members has taken place with appointments to be made shortly (Impact on Risk 011).

- Induction processes for new members will take place following appointment with development sessions for all board members also scheduled (Impact on Risk 011).
- The Board will consider the Externally Facilitated Review at this meeting (Impact on Risk 011).

5.3. The Board is invited to discuss the three risks identified and to consider the mitigating actions.

6. Further Development

- 6.1.** The Scottish Government, and Scottish Funding Council, use a framework to assess risk at an organisational level. The framework examines a number of criteria including an assessment of Finance/Governance, Learning/Teaching and Estates.
- 6.2.** This framework has been shared with GCRB and the Executive is considering how this can be added to our current risk assessment process. Implementation of this approach will be used to inform the regional risk management process.

7. Risk Analysis

- 7.1.** The Board's approach to Risk Management has been developed and enhanced this year. The aim of this report is to support, and enable, the Board's management of risk.

8. Legal Implications

- 8.1.** There are no legal implications arising from this report.

9. Resource Implications

- 9.1.** There are no direct financial implications as a result of this report.

10. Strategic Plan Implications

- 10.1.** 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.

RISK REGISTER

Board Meeting, 26 March 2018

AMBITION	RISKS			EVALUATION OF RISK					MANAGEMENT OF RISK	
	Risk ID	Risk Owner	Risk Description	Likeli-hood	Impact	Net Risk Score	Risk Appetite	Recent Trend	Mitigating Actions	January to March Update
Ambitious for Glasgow	001	Board	Poor environment scanning, and scenario planning, results in a failure to respond proactively to macro-level changes (to review 26 Mar 18).	1	2	2	Low (1/2)	➡	Ensure Board are informed of environmental developments, economic trends, policy developments etc. by proactively managing board/committee agendas, providing policy briefing notes, developing board member communications and online access to information. Constrain activity to those external factors GCRB can influence	Audit Scotland Review of Colleges and Regions 2018. College responses to Cole report as requested by SG/SFC. Review of Regional Skills Assessment completed and considered by regional Learning and Teaching Group. Environment scanning paper discussed by meeting of college and GCRB Chairs, Principals and Executive Director.
	002	Board	Effective working relationships are not developed/maintained with key partners due to a focus on short-term internal priorities.	1	2	2	Medium (3/4)	➡	Develop engagement strategy with key partners and maximise their participation in regional structures. Through board development promote opportunities for board member engagement with stakeholders and fully utilise range of board members skills.	Mtg with SFC/Michael Cross end Jan. ESOL funding letter. GCRB Participation on Glasgow City Council Inclusive Cities and Glasgow Partnership for Economic Growth Groups, and work to develop a city-region intelligence hub. 1:1 meetings held by GCRB Chair with John Kemp, Shona Struthers and Aileen McKechnie.
	003	Board	The reputation of the College Sector in Glasgow is damaged as a result of adverse publicity (reviewed 30 Oct 2017)	2	2	4	Low (1/2)	➡	Strengthen partnership approaches to information sharing and coherence of management actions and responses (no surprises). Develop communications strategy to promote benefits of regional approach. Seek to address issue of board information being leaked to the detriment of GCRB.	Paper to March Board seeking approval of approach to confidentiality and disclosure. Annual report published and distributed to stakeholders. E briefing on new Chair appointment.
	004	Board	Opportunities are missed/not resourced appropriately and the potential to add value via the strategic plan is overlooked.	2	1	2	Medium (3/4)	➡	Identify development opportunities within collaborative planning activity, specifying resources and choices.	Proposal to develop a regional approach to the development of a new student data system discussed by Chairs/Principals and Performance and Resources Committee in Mar 18. Finance policy identifies priorities to make a difference.
Ambitious for Learners	005	Board	A failure to effectively plan/monitor our educational delivery results in the curriculum not meeting regional economic and social needs (to review 26 Mar 18).	1	3	3	Medium (3/4)	➡	Continuously improve the quality of our evidence base and undertake systematic reviews of curriculum demand and supply and ensure effective monitoring arrangements.	Potential risks re Capita and therefore College MIS systems. Draft ROA strengthens alignment of collective delivery to most recent environment scanning information.
	006	Executive Director	Fewer learners achieving positive outcomes (reviewed 30 Oct 2017)	2	2	4	Low (1/2)	➡	Work with colleges and Education Scotland to review and shape college evaluative reports and quality enhancement plans. Strengthen ROA target setting and monitor progress towards 2017-18 targets.	Positive benefit/negative implications of Review of Student Funding and impact on learners. Impact on learners of reduction in (ESF funded) student support for 2018/19. Now mitigated by increase in core student support funds.
Ambitious for Colleges	007	Board	Financial sustainability is jeopardised by a reduction in funding and/or an increase in costs (reviewed 18 Dec 2017)	2	3	6	Medium (3/4)	➡	Develop and enhance long term financial planning. Collate information and identify funding priorities for lobbying. Strengthen key external relationships (SFC, SG, SDS, local authorities, education partners).	Budget announcements Dec 17 and Feb 18. Meetings to discuss regional funding through Feb and Mar. Risks to ESF (re YEI 2015-16), ESOL, cost of national bargaining, estates - all reduced as a result of generally positive financial settlement in Mar 18.
	008	Executive Director	Failure to achieve the targets set out in the Regional Outcome Agreement lessens our ability to meet regional needs (reviewed 18 Dec 2017)	1	2	2	Low (1/2)	➡	Enhance quality and value of performance data and regularly evaluate outcome performance. Address areas for improvement through Enhancement Plans within new national quality arrangements.	Intensification of ROA for 2018/19. Challenges meeting FWDF target for 2017/18. Ongoing liaison with Education Scotland on development of national quality arrangements.
	009	Executive Director	Working relationships within the Glasgow College Region (e.g. students, staff, board members) are ineffective and reduces our collective impact.	2	2	4	Medium (3/4)	➡	Continue to develop opportunities for regional collaboration and sharing of information, networking opportunities and relationship building. Board to consider actions to address unauthorised disclosure of information.	Meetings held with ED and college principals, unions and student associations. Chair meetings with college principals and GCRB board members. Meetings of regional operational groups for college principals, learning and teaching and sustainable institutions.
	010	Executive Director	The approach to people issues (e.g. equality/diversity, skills mix, resourcing of GCRB etc.) is unsatisfactory and we're unable deliver our objectives (reviewed 30 Oct 2017).	2	2	4	Low (1/2)	➡	Ensure GCRB staffing is commensurate with Board responsibilities, and that collaborative management structure has capacity to achieve regional ambitions. Ensure Fair Work Framework values fully embedded within GCBR's employer duties. Take forward looking approach to board development and succession planning across the region.	Director of Finance appointed and commenced duties on 29 January 2018. Process to tender for GCRB communications support underway. City of Glasgow college currently consulting on significant management restructuring proposals.
	011	Board	The capacity and capability of the Board is inadequate and standards of governance fall below the level required (to review 26 Mar 2018).	1	2	2	Low (1/2)	➡	Promote values of good governance, and complete annual review of governance, evaluation of skills and development of board members.	Board Chair commenced January 2018. Interview date for recruitment of Non-Executive Members 26 February. Induction and development planning in place. Governance review complete.
	012	Executive Director	There is a breach of legislation/guidance/code of practice and this results in a failure of governance (reviewed 18 Dec 2017)	1	2	2	Low (1/2)	➡	Remain up to date with changes and new developments, ensure knowledge and training are relevant, adopt conservative approach, and take external advice as appropriate.	External assessor to report on Governance to Board on 26 March 2018. Annual review of compliance with Code of Good Governance due 29 May. Review and updating of key documents including Scheme of Delegation and Publications Scheme by end of 2017-18 academic year. Shared Service Data Protection Officer - interviews Mar18. GDPR action plan prepared.
	013	Executive Director	Controls, and preventative measures, are inadequate, which results in a breach of security/safety (e.g. Cyber Attack).	2	2	4	Low (1/2)	➡	Seek regular assurance to ongoing risks and responsive college plans to emerging issues.	Increasing global threats from terrorism/organised crime. Response to Scottish Government publication 'A Cyber Resilience Strategy for Scotland - Public Sector Action Plan 2017-18'. Joint Audit Committee meeting discussed regional responses to Cyber-Security risks.