

## Audit and Assurance Committee Meeting

Date of Meeting	Tuesday 6 October 2020
Paper Title	Review of Assigned College Risk Registers
Agenda Item	15
Paper Number	AAC1-J
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 Finance & Resources Director on a regular basis. The risk registers of all three colleges were reviewed in September 2020.

**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:

- The timing of Audit Committees means that the (assigned college) risk registers are currently being considered by Boards and therefore subject to change.
- There have only been a small number of changes to the college risk registers both in terms of the identified risks and the evaluation of risks. This is likely to be the result of risks relating to Covid-19 being assessed by colleges during the previous cycle of meetings.
- The previous evaluation of some risks resulted in the highest risk score. As a result, the risk score cannot increase even if the situation deteriorates further.
- Financial risks feature heavily in the college risk registers and dominate in Glasgow Kelvin College. This reflects the particular financial challenges facing the college. However, the overall financial position (reported in the college Financial Forecast Returns) has shown an improved position compared to that reported at the outbreak of the Covid-19 pandemic.
- 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. financial sustainability, 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 and Assurance 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 22 September 2020	Glasgow Clyde College 30 September 2020	Glasgow Kelvin College 1 September 2020
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. 	Unfavourable change in the overall quantum of sector funding. 
Failure to achieve operating surplus via control of costs and achievement of income targets. 	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. 
	Potential of funding for VS scheme. 	
		SFC clawback funding provided in prior years or make in-year adverse adjustment to grant. 
		Failure to have available cash to make payments as they fall due in the short and long term including ability to pay staff wages. 

City of Glasgow College 22 September 2020	Glasgow Clyde College 30 September 2020	Glasgow Kelvin College 1 September 2020
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. 
		High Absence rates make it impossible to provide appropriate quality of planned service. 
		Failure to efficiently utilise teaching staff. 
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. 
		ICT Contingency Plan is ineffective resulting in the college being unable to restore its systems in a timeous manner. 
		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. 

City of Glasgow College 22 September 2020	Glasgow Clyde College 30 September 2020	Glasgow Kelvin College 1 September 2020
	Failure to achieve contracted overall teaching delivery targets for any key partner. 	<b>Failure to recruit learners and ensure curriculum offer meets needs.</b> 
<b>Failure to support successful student outcomes.x</b> 	<b>Failure to achieve acceptably high standard of quality of teaching delivery and support for students.</b> 	<b>Learners are not appropriately supported during their enrolment, the College fails to retain sufficient numbers or they fail to make sufficient progress.</b> 
		<b>The College is unable to deliver some, or all of its services, or meet its statutory obligations as a consequence of an unforeseen event.</b> 
Failure to achieve taught degree awarding powers. 		
	Failure to comply with health and safety and safeguarding requirements. 	Children, young people and vulnerable adults may be subject to abusive behaviour. 
		Serious breach of legislation, including health and safety, charities, GDPR etc. 
Failure of business continuity. 		
<b>Failure to achieve improved business development performance with stakeholders.</b> 		Relationships with external partners deteriorates. 
Negative impact upon college reputation. 		<b>Poor public relations image and perception of College.</b> 
		Loss or failure to prevent fraud resulting in reputational damage. 