

Board Meeting

Date of Meeting	Monday 25 March 2019
Paper Title	GCRB Risk Register
Agenda Item	8
Paper Number	BM3-D
Responsible Officer	Jim Godfrey, Finance & Resources Director
Status	Disclosable
Action	For Decision

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:

- **note** that a risk workshop was held on 4 March 2019 which provided an opportunity for GCRB Board members to consider risks and discuss how the current risk register could be developed to better identify risks.
- **consider** the attached risk register and summary of related activity from January to March 2019; and
- **consider** the evaluation of the risks within the risk register and **amend** as appropriate; and
- **consider** the mitigating actions and **amend** as appropriate.
- **approve** that the risk relating to Brexit is added to the register as a separate item.

3. Risk Register Development

- 3.1. GCRB's Risk Register was revised in 2017 to reflect the review of GCRB's risk management arrangements undertaken by the Internal Auditor and a Board Risk Management Workshop held on 2 June 2017.
- 3.2. At its meeting on 29 October 2018, the Board requested that the GCRB Audit Committee consider steps which could be taken to ensure that the GCRB Risk Register effectively assesses risks to GCRB and the Glasgow College Region.

- 3.3.** The Audit Committee considered the matter on 18 December 2018, and recommended that the GCRB Executive arrange a Risk Management Workshop. The workshop would be in a similar format to the one held in 2017 and facilitated by GCRB's internal auditor. The aim of the workshop was provide an opportunity for Board members to consider risks and discuss how the current register could be developed to better identify risks.
- 3.4.** The risk workshop was held on the 5th March, 2019 with all Board members invited to attend. The event was held at Glasgow Clyde College with the following members present: Janie McCusker, Paul Buchanan, Ed McGrachan, Clare Ireland, David Newall. The meeting was supported by David Archibald (Internal Auditor), executive officers of GCRB and the Vice Principal of Glasgow Clyde College.
- 3.5.** Following extensive discussion, the key conclusions arising from the meeting are:
- The consensus was the current approach is working well, with some small changes appropriate.
 - There was no need for changes to be made at the institutional level.
 - Members were content that risk ownership was shared between the individual entities and the collective responsibilities of the region.

4. Review of Risk Register

- 4.1.** The Risk Register has been regularly reviewed by GCRB management since the last meeting of the GCRB Board. An update column in the attached risk register details activity thought relevant to each of the identified risks. The Risk Register was reviewed by the Executive, and the risk scores evaluated by the Executive, in March 2019. At this time, there are no recommended changes.
- 4.2.** The Board has agreed to review a number of key risks at each meeting. At the previous meeting, the Board reviewed risks 007, 008 and 013. It is our aim that all risks will be discussed within the academic year. In terms of the risks to be reviewed at this meeting, it is suggested that the Board may wish to discuss the following:

Poor environment scanning, and scenario planning, results in a failure to respond proactively to macro-level changes (Risk 001)

- a) The Board regularly considers a range of relevant external drivers, and has discussed the Scottish Funding Council and Skills Development Scotland letters of grant, and the Strategic Plan of the Enterprise and Skills Board.
- b) A 'Horizon Scanning' paper was discussed at the GCRB Board strategic planning session held in August 2018.
- c) In October 2018, the Board considered a report on the review of colleges and regional strategic bodies by Audit Scotland.
- d) Extensive engagement takes place on a regular basis involving the Chair and Executive Director of GCRB with internal and external stakeholders.

A failure to effectively plan/monitor our educational delivery results in the curriculum not meeting regional economic and social needs (Risk 005)

- a) A key contributor to the Board's understanding of skills training needs is the Regional Skills Assessment produced by Skills Development Scotland which it reviews annually.
- b) At its meeting in January 2019, the Board received a presentation on the Glasgow City Region Skills Investment plan.
- c) The Board will consider (at this meeting) the draft Regional Outcome Agreement 2019-20. The commitments made seek to deliver a more inclusive, responsive and effective regional college system which meets regional economic and social needs.
- d) At its meeting in March 2019, the GCRB Performance and Resources Committee reviewed the College Evaluative Reports and Enhancement Plans.

The capacity and capability of the Board is inadequate and standards of governance fall below the level required (Risk 011) -

- a) The Board will consider the Board Development Plan and Board Self-evaluation at this meeting.
- b) Revised induction Board member induction processes have been implemented.
- c) Several Board development sessions/discussions have taken place recently e.g. Mental Health, Funding and Risk Management.
- d) Arrangements for the recruitment of a new non-executive member are to be considered at this meeting.

4.3. The one other risk to consider relates to the potential impact of Brexit. During the course of the last two years, the risks relating to Brexit have been considered within other risks e.g. Risk 001 regarding horizon scanning. However, given the current political situation and date for withdrawal from the EU it is recommended that this risk is added to the register as a standalone item.

4.4. The Board is invited to:

- Discuss the three risks identified.
- Consider the evaluation of all of the risks and amend as appropriate.
- Consider the mitigating actions and amend as appropriate.
- Approve that the risk relating to Brexit is added to the risk register as a separate risk.

5. Risk Analysis

5.1. The aim of this report is to support, and enable, the Board's management of risk.

6. Legal Implications

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

7. Equalities Implications

7.1. There are no equalities implications arising from this report.

8. Resource Implications

8.1. There are no direct financial implications as a result of this report.

9. Strategic Plan Implications

9.1. 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.

AMBITION		RISKS				EVALUATION OF RISK				MANAGEMENT OF RISK			
Glasgow Region Strategic Plan	Risk ID	Risk Owner	Risk Description	Likelihood	Impact	Net Risk Score	Risk Appetite	Recent Trend	Mitigating Actions	Responsibility for Mitigating Action	Target Risk Score	January to March Update	
Strategic	Ambitious for Glasgow	001	Board	Poor environment scanning, and scenario planning, results in a failure to respond proactively to macro-level changes.	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	Exec Director	2	Exec Director attended Colleges Scotland Principals Group, Glasgow Partnership for Economic Growth and Glasgow City Inclusive Growth Group. Ongoing GCRB participation in review of Glasgow City Region Skills Investment Plan.
		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.	Exec Director, Chair & Board Members	3	Chair attended Colleges Scotland Board. GCRB strategic liaison meeting with SG and SFC in March 2019. Combined Curriculum Review pilot work ongoing with SFC and SDS.
		003	Board	The reputation of the College Sector in Glasgow is damaged as a result of adverse publicity (reviewed Oct 2018)	1	2	2	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.	Exec Director	2	College Board briefing produced. Positive response to Annual Report video. Negative press coverage on living wage status for external contractors within 2 Glasgow colleges.
		004	Board	Opportunities are missed/not resourced appropriately and the potential to add value via the strategic plan is overlooked.	3	1	3	Medium (3/4)	→	Identify development opportunities within collaborative planning activity, specifying resources and choices.	Exec Director	3	Programme of Action agreed by GCRB Board in January - draft operational and resource plan to be agreed in March. New pilot activity in Foundation Apprenticeships at Levels 4, 5 and 6 agreed with SDS for 2019-20.
	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.	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.	Exec Director	3	P&R Committee considered ROA progress report 2018-19 and draft ROA 2019-20 (March). Skills alignment events held for Financial Services
		006	Executive Director	Fewer learners achieving positive outcomes (reviewed Oct 2018).	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.	Exec Director	2	SFC/Education Scotland endorsement process completed and college evaluative reports and enhancement plans considered by P&R Committee (March).
Operational	Ambitious for Colleges	007	Board	Financial sustainability is jeopardised by a reduction in funding and/or an increase in costs (reviewed Jan 2019).	3	2	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).	Finance & Resources Director, Exec Director & Chair	3	Board considered 2019-20 budget announcement in January 2019. P&R Committee considered indicative national funding allocation and proposed indicative regional allocation in March 2019.
		008	Executive Director	Failure to achieve the targets set out in the Regional Outcome Agreement lessens our ability to meet regional needs (reviewed Jan 2019).	2	2	4	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.	Exec Director	2	Regional quality improvement group met (January). ROA performance monitoring report considered by P&R Committee (March) - suggests region broadly on track to meet 18-19 ROA targets. EIS industrial action continuing (three days to date).
		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.	All Staff and Board Members	3	Funding workshop meeting in February 2019. Risk workshop meeting in March 2019. Regional conversation on Mental Health and wellbeing held in March 2019. Curriculum Hub events held for Financial Services
		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.	1	2	2	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 GCRB's employer duties. Take forward looking approach to board development and succession planning across the region.	Exec Director, Board Members, Board Secretary	2	Recruitment process completed, and people commenced in role for part-time Board Secretary and Communications Lead. Recruitment process underway for Executive Assistant maternity cover.
		011	Board	The capacity and capability of the Board is inadequate and standards of governance fall below the level required.	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 Members	2	Scottish Government Governance Consultation. Board Annual Self-Evaluation in March 2019. Board Development Plan 2019-20 in March 2019.
		012	Executive Director	There is a breach of legislation/guidance/code of practice and this results in a failure of governance.	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.	Executive Team	2	Review of P&R and Audit Committee Terms of Reference in March 2019. Board member development needs assessed. Development sessions/discussions held i.e. Mental Health, Funding and Risk Management.
		013	Executive Director	Controls, and preventative measures, are inadequate, which results in a breach of security/safety (e.g. Cyber Attack) (Reviewed Oct 2018 and Jan 2019)	2	2	4	Low (1/2)	↗	Seek regular assurance to ongoing risks and responsive college plans to emerging issues.	Executive Team	2	City of Glasgow College making progress to achieve Cyber Essentials Plus.