

Board of Management

Date of Meeting	Wednesday 5 June 2019
Paper No.	BoM6-E
Agenda Item	8
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Paul Clark, College Secretary/Planning
Date of production	30 May 2019
Action	For Approval

1. Recommendations

1. To review and approve risk scores including adjustments as reviewed by respective Committees, and note high scoring risks (Red and high Amber).
2. To note and approve the revised Risk Register dated 30 May 2019.

2. Purpose of report




2.1 The purpose of this report is to enable a review of the College Risk Register, and provide the Board with an update on the most recent review of strategic organisational risks, to May 2019. In particular, attention is drawn to highest scoring risks (High Likelihood, High Impact) and other significant changes to the Risk Register.

3. Context



3.1 Risk Management is a key component of the College's internal control and governance arrangements, and as such is an important responsibility of the Senior Management Team, Board Committees, and the Board of Management. The risks listed on the Risk Register have been identified by SMT and Board Committees, as the current strategic risks faced by the College. The risks are aligned within the same framework of four strategic themes as the College Strategic Plan, and those included in the Risk Register and Matrix have potential impacts on one or more of the College's strategic priorities.

3.2 A full review of strategic risks was conducted in the quarter to May 2019, involving senior Risk "owners", senior managers as appropriate, and Board Committees. All Risk MAPs were updated accordingly and reported to the respective Board Committees.

3.3 The Risk Register is attached, together with the Risk MAPs for the highest scoring risks, RAG-rated RED; and Risks with significant change to score. These are:

- Risk 6 -  Negative impact upon College reputation. Reason –Potential outcomes from internal investigations (Audit Committee, May 2019).
- Risk 12 -  Failure of Business Continuity. Reason – requirement for Business Continuity Impact Analyses, and Recovery Plan development (nearing completion by end June 2019)
- Risk 25 -  Failure of IT system security. Reason – A significant risk treatment (compliance with UK Government Cyber Essentials Plus) was not achieved to schedule (Oct '18). Now scheduled for June 2019. Interim security measures undertaken and tested.

3.4 The Risk Register also highlights the undernoted high scoring Amber risks:

- Risk 14 -  Negative impact of Industrial Action. Reason – negotiations ongoing with EIS/FELA, with industrial action continuing.
- Risk 16 -  Failure to maximise income via diversification. Risk score reduced from 12 to 9; Reason – restructuring to focus upon income generation from diverse sources, and the overall picture of expectations

relating to unplanned activity which will result in an improved income figure noted by the Development Committee (April 2018).

- Risk 23 - ■ Failure to agree a sustainable model and level of grant funding within Glasgow Region. Reason - the level of uncertainty regarding the value of future funding is still high with significant risk linked to SFC and GCRB funding methodology.
- Risk 24 - ■ Failure of Compliance with the General Data Protection Regulations (GDPR) – Risk score reduced from 10 to 8 due to preparations enacted and in place for GDPR legislation.

3.5. Trend: the overall risk score average has increased from December 2018, following a period of steady decrease and stability since June 2017. See table with Risk Register.

3.6. Risk Scoring Matrix:

x	Likelihood				
Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5

4. Impact and implications

4.1 The effective management and control of risks is essential to the on-going stability and future growth of the College, with clear implications in terms of potential impact upon College students and staff, as well as the College’s wider reputation. All strategic risks have potential strategic impact upon the College. The College Risk Register includes matters relating to legal compliance.

4.2 Several strategic risks are financial in nature, and potentially constitute a threat to the College’s stated strategic priority to “Maintain our long-term financial stability”.

4.3 Performance management and improving performance are identified as areas of strategic risk, due to the potential impact on reputation, the student experience, and funding.

4.4 Regional and sectoral considerations are included in the process of risk management, and are reflected in the risk documentation.

Appendices:

Appendix 1: Risk Register

Appendix 2: Risk Management Action Plans (MAPs) for high-scoring Risks and significant changes.

Risk Register: 30 May 2019

RISK DETAIL					CURRENT EVALUATION			AIM and PROGRESS			RISK TREATMENT	
Strategic Theme	Risk Name	Risk ID	Level	Risk Owner	Likelihood	Impact	Net Risk Score	Gross Risk Score	Target Risk Score	Risk Movement/Comments	Link to Risk Mgt Action Plan (MAP)	Date of last review
Students	Failure to support successful student outcomes	1	1	VPSE	2	5	10	25	5		Risk 1 MAP.docx	May '19
Students	Failure to establish optimal pedagogical model	2	1	VPSE	1	5	5	20	5		Risk 2 MAP.docx	Apr '19
Students	Failure to achieve good student outcome/progression levels	3	1	VPSE	2	5	10	15	5		Risk 3 MAP.docx	Apr '19
Students	Failure of the College's Duty of Care to Students	21	1	VPSE	1	5	5	20	4		Risk 21 MAP.docx	May '19
Growth and Development	Failure to realise planned benefits of Regionalisation	4	1	Pr/DPr	3	3	9	20	3		Risk 4 MAP.docx	Apr '19
Growth and Development	Negative impact upon College reputation	6	1	VPCDI	3	5	15	25	5	Amber to RED AC 05/19	Risk 6 MAP.docx	May '19
Growth and Development	Failure to achieve improved business development performance with stakeholders	7	1	VPCDI	2	5	10	25	5		Risk 7 MAP.docx	Apr '19
Growth and Development	Failure to achieve improved performance	8	1	VPSE/DirP	2	5	10	20	5		Risk 8 MAP.docx	Apr '19
Growth and Development	Failure to attract, engage, and retain suitable staff	9	1	VPCS	2	2	4	20	3		Risk 9 MAP.docx	May '19
Processes and Performance	Negative impact of statutory compliance failure	10	1	CSP/DCS	2	5	10	20	5	Monitor IA actions AC 5/19	Risk 10 MAP.docx	May '19
Processes and Performance	Failure of Compliance with the General Data Protection Regulations (GDPR)	24	1	DCS/CSP	3	4	12	25	5	Score incr. 12 from 8 AC 05/19	Risk 24 MAP.docx	May '19
Processes and Performance	Failure of Corporate Governance	11	1	Pr/CSP	1	5	5	20	5	Monitor IA actions AC 5/19	Risk 11 MAP.docx	May '19
Processes and Performance	Failure of Business Continuity	12	1	VPCS/CSP	3	5	15	25	4		Risk 12 MAP.docx	Apr '19
Processes and Performance	Failure of IT system security	25	1	VPCS	3	5	15	25	5	Score incr. 12 to 15: AC 11/18	Risk 25 MAP.docx	May '19
Processes and Performance	Failure to manage performance	13	1	VPSE/DirP	1	4	4	20	4		Risk 13 MAP.docx	Apr '19
Processes and Performance	Negative impact of Industrial Action	14	1	VPCS	3	4	12	25	4		Risk 14 MAP.docx	May '19
Finance	Failure to achieve operating surplus via control of costs and achievement of income targets.	15	1	VPCS	3	3	9	25	4		Risk 15 MAP.docx	May '19
Finance	Failure to maximise income via diversification	16	1	VPCS/VPCDI	4	3	12	20	4		Risk 16 MAP.docx	May '19
Finance	Failure to obtain funds from College Foundation	20	1	VPCS	1	4	4	20	4		Risk 20 MAP.docx	May '19
Finance	Negative impact of Brexit	22	1	VPCS/DCS	5	2	10	tbc	5		Risk 22 MAP.docx	May '19
Finance	Failure to agree a sustainable model and level of grant funding within Glasgow Region	23	1	VPCS	3	4	12	25	5		Risk 23 MAP.docx	May '19

Key:

- Pr - Principal
- DPr - Depute Principal
- VPSE - Vice Principal Student Experience
- VPCS - Vice Principal Corporate Services
- VPCDI - Vice Principal Corporate Development/Innovation
- CSP - College Secretary/Planning
- DHR - Director of Human Resources
- DirP - Director of Performance
- DCS - Director of Corporate Support
- DirP - Director of Performance
- AC - Audit Committee

Note comment

x	Likelihood				
Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5

Date	Jun-17	Dec-17	Jun-18	Dec-18	May-19	Jun-19	Dec-19	Jun-20
Average Risk Score	10	9.56	9	9	9.43			

N.B. Closure of low-scoring risks will upwardly impact upon average risk score.

Tolerance vs Risk Score	Acceptable Risk Score		Acceptable Risk Score		Acceptable Risk Score	
	1-3	4-5	6-9	10-12	15-16	20-25
Risk Management Level of Tolerance (Able to Accept)	1	2	3	4	5	6
	Low		Medium		High	

Risk Management Action Plan

Risk Description: Negative impact upon College reputation

Risk ID: 6

Owned by: VPCDI

Review Date: May 2019

Update

Full Description:

1. Failure to protect and maintain the brand.
2. Complaint to Scottish Public Services Ombudsman upheld
3. Significant breach of College policies & procedures.
4. Gross misconduct of a member / members of staff.

Treatment:

1. An Associate Director for Brand & Communications has been appointed and is currently reviewing the operational elements and structure of the team to ensure that is fit for purpose to maintain and enhance the college brand.
2. College Complaints Procedure to be available and communicated to all employees; train staff, including managers in operation of college policies & procedures, including legal requirements.
3. Management monitoring and control supported by the work of the College internal and external auditors.
4. Embedding College values and behaviours supported by robust College policies & procedures.

Commentary (Update):

The College currently enjoys an excellent external reputation based on performance, facilities and the work of the Corporate Development team.

1. New Complaints procedure agreed and implemented in line with developments in SPSO framework for FE.
2. The College Complaints Report is now published via the College Website, in line with SPSO requirements.
3. Further staff training now in place to support implementation of SPSO model complaints handling procedure.
4. Through the Meltwater News platform the College continues to monitor its coverage, reputation and positioning within the marketplace on a daily basis
5. Ongoing press enquiries relating to a wide range of areas are commonplace, including some relating to College operations at the City Campus. The College is also experiencing a high volume of FOISA requests at present, covering a wide range of areas from staff salaries and performance related payments, campus events, overseas expenditure, student support, budgets, industrial action information, communications with politicians, etc.

6. Positive press coverage relating to a number of awards and events have continued each month in session 2018/19, however this may be negatively impacted upon in the context of EIS Strike activity
7. The latest College Annual Report 2017-18, highlighting various College, student, and staff successes, published in February 2019.

At 8 May 2019:

An internal review has revealed some suspected fraudulent activity, reported to the Audit Committee (29/4/19), which is the subject of ongoing further detailed investigation and audit. All relevant parties have been informed, including the Police who are now treating this as a suspected criminal act. It is envisaged that there may be negative reputational impact near the completion of this investigation. The College is working on a PR/Crisis plan to mitigate reputational risk which will include working with the media to ensure that the key facts of this case are presented at the correct time.

At 15 May 2019

The Audit Committee received the Principal's report on the above matter, and agreed the recommendation to increase the risk score to 3x5= RED.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 5/5 Risk Score 15/25 RAG Rating: RED (increased from AMBER – Audit Committee 15/5/19). Target Score: 5	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Reputation <u>Low</u> Medium High 1 2 3 4 5 6

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				

Risk Management Action Plan

Risk Description: Failure of Business Continuity

Risk ID: 12

Owned by: VPCS/CSP

Review Date: April 2019

Update

Full Description:

1. Severe Fire/Flood
2. Terrorist attack
3. IT Systems Failure (incl Cybercrime) - See Risk MAP 25.
4. Other emergency circumstances resulting in main service failure, and threatening the operation of the College as described in Business Continuity Plan v3.9.

Treatment:

1. Maintain current operational controls.
2. Create and regularly review Business Continuity Plan (BCP).
3. Communicate plan to all senior staff.
4. Ensure that local recovery plans are developed and reviewed.
5. Test and Review at local and College level.

Commentary (Update):

1. Current operational controls are in place with responsibility transferred to GLQ via the NPD contract. Responsibility for communication remains with the College.
2. The BCP emergency incident procedure is currently under review to include recent government guidelines outlined by the CONTEST statutory duty. The BCP has been reviewed with a revised disaster recover plan for all technology systems, and the College has also revised all fire evacuation procedures and identification of incident control rooms at City and Riverside (hard copy BCP located at these locations and at Reception Desks). The BCP has been revised (as at January 2018) in consultation with VP Infrastructure and Head of Facilities Management, with updated contact details of contractors, senior staff etc. and located on Connected (BCP v3.9). The BCP has recently been successfully invoked (7th and 21st November 2017) and found to be effective (see incident report below). SMT has subsequently reviewed and approved the latest version (v3.9) of the BCP.
3. GLQ has an extensive business continuity plan to which the College BCP refers, given that the knowledge of all business critical systems lies with GLQ. These systems are subject to a 25 year maintenance agreement/project agreement. As our operational relationship with the onside contractors continues to develop, we will further refine our BC planning to reflect detailed responsibilities. All heating, cooling, power, air conditioning etc is part of the NPD contract with all risk transferred to GLQ, with commensurate business continuity responsibility. GLQ would therefore be responsible for repurposing space disrupted by systems failure. The College remains responsible for re scheduling of activity affected by disruption.

4. IT Disaster Recovery Plan (See Risk MAP 25 for updates from October 2017).

Cybercrime: The network infrastructure designed as part of the new build meets the latest filtering and access control technical requirements. In order to test the College's infrastructure, this will be included in the Internal Audit of infrastructure (brought forward to 2016-17 in the light of this priority) This included IT security and was completed as "Satisfactory". It should be noted that this threat is largely related to business disruption, as the college business can be maintained in alternative modes.

In May 2017, following the cyber attacks affecting the Scottish NHS, the Infrastructure section was involved in an IT Network Arrangements/Security audit, and timeous on-going work on our Business Continuity strategy and Disaster Recovery Plans. This was presented to the full Board in June 2017, and included the following detail of the mitigations taken:

- Patching around 9% of our end-user devices which were considered potentially vulnerable. Consideration that a percentage of these are in Staff and Students own hands and not physically present in College.
- Patching many of our critical servers whilst still providing continuous service.
- Proactive monitoring of network services and network traffic.

The general malware attack known as WCry/WarCry, is not the only malware/security threat that the College is attending to at this time. Furthermore, Industry researchers are anticipating the techniques discovered and hoarded by the NSA, of which Wcry was one, will be used with malicious intent in the near future. The College remains diligent to potential threats.

Incident Reports

1. On November 7th 2017 incident - loss of water supply at City Campus - involving the invocation of the Business Continuity Plan by VP Infrastructure in agreement with VP Student Experience. The incident was due to a failure of a water valve restricting water supply. The Emergency Response Team met immediately upon the incident being reported, and followed the appropriate BCP checklists and processes including Team Leader Emergency Response and Loss of Water checklists. The Emergency Response Team undertook an assessment of the incident level (Level 2, BCP P16), and management of the incident. The incident was assessed as critical to ongoing business at City Campus, and the Emergency Response Team decided to curtail the majority of College activity for the day, while maintaining a reduced staff complement.

2. On Tuesday 21 November 2017, a suspicious unattended package was identified on College premises at City Campus at 19.45hrs. The Duty Manager called the emergency services, and a special disposal unit was consequently in attendance to control the incident. Some evening classes were in progress at that time, and staff and students were safely evacuated from the building. The item was found to be harmless, and was identified as a custom-built device left by an employee of FES during a routine window battery installation.

The incident was followed up with FES by the VP Infrastructure and the Principal to ensure that no similar incidents happen in future.

3. On Wednesday 22 November, there was a temporary loss of electrical supply at Riverside Campus, due to an external power outage. There were no injuries, and no requirement for the emergency services. As a consequence, the operation of lifts

management was reviewed, and FES staff training for release of lifts was implemented.

These incidents were reviewed and recorded on the appropriate BCP Incident Report form, including lessons learned and improvement actions implemented.

Strategic Review of Business Continuity Management: 2018 Report

This review was undertaken by Ashton Resilience in March 2018, for the College insurers UMAL, by arrangement with the Infrastructure team. The review looked at the activities and operations of the College, its current recovery capability and the degree to which BCM has been implemented. A draft report was forwarded to the College on 16 April 2018, with detailed findings and recommendations.

In summary the report found that the College had a “well-developed operational response to incidents, however there was a need for all departments “to develop, implement and maintain a functional recovery process”. This will involve firstly conducting a business impact analysis then documentation of business recovery plans for each area, based upon coherent recovery strategies.

The report stated that:

“ The high priority recommendations in this report are that the City of Glasgow College should:

- Conduct a business impact analysis and service impact analysis for key processes right across the College.
- Identify recovery time objectives for critical business activities and IT services.
- Identify recovery resources, dependencies and strategies for operational recovery.
- Complete the creation of new departmental business continuity / recovery plans to cover all critical areas of the College, using the business impact analysis data as the base.”

An implementation plan to address the report recommendations is under development for approval by ELT/SMT (August 2018);

It is proposed that this risk score remains RED until the key recommendations are enacted. (August 2018).

November 2018

The responsibility for infrastructure (and associated impact analyses/recovery resource assessment) has now passed to the VP Corporate Services.

Head of Facilities Management has undertaken sample business recovery plan, including data sheets, floorplans, and timetables for RoomC.10.005 to inform roll out across all campus locations.

The Audit Committee of November 2018 noted that ELT had agreed to provide additional resource to progress a College-wide business impact analysis to enable business recovery planning. This initiative was supported by the Committee.

January 2019

Business Continuity specialist Ashton Resilience has been engaged to conduct a full cross-college Business Impact Analysis, to inform the development of detailed Business Recovery Planning across all college teaching and support functions. Initial meeting scheduled for 7th February 2019.

February 2019

Ashton Resilience to undertake Business Impact Analyses for each faculty and service area, followed by development of Business Recovery Plans (BRPs) for each. To begin with Faculty of Hospitality and Leisure and HR. Once BRPs are in place, a scenario-based exercise will be conducted for each campus, to include medium and long-term planning and recovery. To be completed by end June 2019.

April 2019

Business Impact Analysis meetings currently underway throughout the College, between managers from all faculties and service areas with Ashton Resilience.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 5/5 Risk Score 15/25 RAG Rating: RED Target Score: 5 Change from 4x5=20 approved by Audit/BoM March 2018	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Business Continuity <u>Low</u> Medium High 1 2 3 4 5 6

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				

Risk Management Action Plan

Risk Description: Negative impact of Industrial Action

Risk ID: 14

Owned by: VPCS

Review Date: 29 May 2019

Update

Full Description:

1. Negative impact upon service delivery due to industrial action
2. Negative impact upon reputation due to industrial action

Treatment:

Two local negotiating forums are established, LNC and SSNC, with the frequency of meetings based on the College Recognition & Procedure Agreement (RPA) and current requirements.

The College has signed the National Recognition & Procedure Agreement (NRPA) and is a member of the Employers Association within Colleges Scotland. All pay and terms and condition negotiations now take place at the National Joint Negotiating Committee (NJNC).

Commentary (Update):

The Human Resources (HR) department is managed by the HR Director reporting to the Vice Principal Corporate Services. Significant changes have been progressed within the HR team to improve the performance and service with further planned improvements.

The national bargaining process is continuing through the Employers Association and NJNC. The NJNC reached a settlement for the April 2017 pay claim with the support staff trade unions however are still in dispute with the teaching staff union (EIS).

In the past 2 years the sector has been subject to 2 periods of EIS industrial action and a single period of support staff trade unions industrial action. The Employers Association are aiming to continue to progress all outstanding issues with the unions and achieve sustainable agreements without further industrial action. Given the EIS's excessively high expectations for the April 2017, 2018 & 2019 annual cost of living awards and the generous national bargaining agreement the likelihood of further industrial action has been anticipated, and steps taken to minimise impact upon students.

Negotiations with the support staff unions over cost of living awards have concluded more positively, however there is still significant concern regarding the implementation of job evaluation.

The College is actively involved in the national bargaining process however the

outcomes and consequences of the process are not within the College's control, therefore local staff relationships have become more difficult. There continues to be a significant minority of staff across the sector that view previous industrial action as very successful and are keen to take further industrial action to further improve their pay and terms and conditions.

EIS days of strike action due on 8 May 2019 were suspended, pending ongoing negotiations. However, further strike days took place on 15 and 16 May. Principal has reported progress in negotiations. However, "Action short of strike" has not been suspended, which encourages lecturers across Scotland:

- Not to enter or record student assessment results within college systems;
- And not to undertake activities that are explicitly not contractually required.

The Principal issued a Bulletin to all staff on 7 May, which included the following statement:

It is disappointing that FELA is putting our students' success and future at risk with this cavalier approach. It is even more disappointing that some lecturers across Scotland have also committed to withholding students' assessment results. **Lecturing staff considering this type of action should refer to their job description and contract which states, under key accountabilities, that staff are required to maintain accurate records relating to attendance and achievement. Any staff member refusing to carry out the full range of duties outlined under their job description will be in breach of their contract.** I remain hopeful that a resolution can be found and please be assured that, as a college, we will take all measures to minimise the risk to student outcomes.

29 May 2019: The Student Staff and Equalities Committee reviewed this risk MAP in the light of the current position regarding negotiations with EIS/FELA, and the management actions taken in mitigation of the risk impacts of further industrial action. It was noted that all student data, including results, are in the ownership of the College, and that steps would be taken to record these results appropriately. Following due consideration, the risk score remained unchanged.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 4/5 Risk Score 12/25 RAG Rating: AMBER Target Score: 4	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
Low Medium <u>High</u>	Category: Student Experience/ Reputation Low Medium High 1 2 <u>3</u> 4 5 6

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				

Risk Management Action Plan

Risk Description: Failure to maximise income via diversification

Risk ID: 16

Owned by: VPCS/ VPCDI

Review Date: May 2019

Update

Full Description:

Failure to optimise income opportunities via existing and potential markets and partners.

Treatment:

Develop of Corporate Development Plan to deliver the College Corporate Development Strategy. Manage and monitor the delivery of the plan.

Commentary (Update):

The Corporate Development Strategy was approved by the Board of Management Development Committee and contains plans, initiatives and targets to meet the overall College strategic priorities. Commercial and International Teams, as well as Academic Faculties, have reviewed all aspects of income diversification. This is now reflected within the new Corporate Development Strategy as well as Financial and Operational Plans. Income generation from Industry Academies included in Faculty planning.

Regular reportage on growth and development in relation to targets is now a standing item on the Development Committee agenda. The Corporate Development Team and Faculties undertake ongoing reviews of Commercial and International targets, and progress. The College performance reviews has been undertaken and reviewed the delivery of Non SFC Fundable course fee income.

Update:

The College strategic plan is to growth the proportion of income from SFC funding. Appendix 1 summaries the overall College income over the past 5 years and highlights that the proportion of SFC funding has actually increased over the 5 years to 64% (excluding the NPD funding). The total commercial income over the past 5 years has increased by 4.5%, £349k.

The College set a conservative 2018-19 target for Non SFC Fundable course fee based on the 2017-18 actual after a reduction from 2016-17. The initial Non SFC Fundable course fee income target also incorporated a small increase in overseas income of £43k however the projection income is currently well above this target although still below the actual income for 2015-16. The College performance has improved and is projected to exceed the 2018-19 annual target with the income now £425k higher than the actual income for 2016-17.

The future years' challenge is to significantly increase the College income from non SFC funding sources and effectively reduce the proportion of SFC grant. In 2018-19 the SFC grant is estimated as 64% of the College income (excluding the NPD funding).

There was a significant challenge for the Corporate Development Team and Faculties to deliver the new FWDF (SFC Grant) activity therefore the target for 2017-18 was set at £500k rather than the full £894k. We delivered £110,000 of training at 31st July 2018 with a further £338,000 committed by the SFC September deadline. The budget for 2018-19 was set to fully deliver the full £894k FWDF SFC Grant allocation with the Corporate Development currently planning to fully deliver the target.

The Development Committee reviewed this risk in April 2019, and noted the enhanced context for consideration of commercial/international income generation.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 4/5 Impact 3/5 Risk Score 12/5 RAG Rating: AMBER Target Score: 9	Likelihood 5/5 Impact 4/5 Risk Score 20/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Change and Development/ Financial Low <u>Medium</u> High 1 2 3 4 5 6

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				

CITY OF GLASGOW COLLEGE							
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Actual 2017-18	Projected 2018-19	5 Year Growth	5 Year Growth
INCOME ANALYSIS	£000	£000	£000	£000	£000	£000	%
SFC Grant in Aid	£27,288	£29,797	£32,628	£33,880	£37,037	£9,749	35.7%
SFC Other Income	£4,094	£5,439	£7,656	£8,817	£9,031	£4,937	120.6%
SFC NPD Income	£473	£4,951	£18,792	£20,064	£20,252	£19,780	4186.1%
Total SFC Income	£31,855	£40,187	£59,076	£62,761	£66,320	£34,465	108.2%
Course Fees	£8,997	£9,683	£10,540	£10,987	£10,867	£1,870	20.8%
Education Contracts	£2,095	£1,956	£1,895	£1,861	£1,743	£-352	-16.8%
Total Course Fee Income	£11,092	£11,639	£12,435	£12,848	£12,610	£1,518	13.7%
Total Commercial & Overseas Income	£5,314	£5,459	£5,813	£5,224	£6,238	£924	17.4%
Other Commercial Income	£2,510	£1,860	£1,345	£2,332	£1,935	£-575	-22.9%
Total Commercial Income	£7,824	£7,319	£7,158	£7,556	£8,173	£349	4.5%
Student Accomodation	£1,257	£2,051	£2,223	£2,253	£2,274	£1,017	80.9%
Catering Income	£0	£0	£1,421	£1,715	£1,749	£1,749	
Foundation	£207	£6,515	£2,410	£2,911	£1,577	£1,370	661.8%
Net Return on Pension	£620	£0	£0	£0	£0	£-620	-100.0%
NON SFC Income	£21,000	£27,524	£25,647	£27,283	£26,383	£5,383	25.6%
Total Income	£52,855	£67,711	£84,723	£90,044	£92,703	£39,848	75.4%
Total Funding Council Grant as % of Total Income (excl NPD)	60%	56%	61%	61%	64%		
Further Breakdown							
Faculty Creative Ind	£73	£61	£76	£71	£109	£36	49.3%
Faculty Hospitality & Leisure	£83	£134	£96	£71	£648	£565	680.7%
Faculty Nautical Science & STEM	£4,372	£4,478	£4,767	£4,154	£72	£-4,300	-98.4%
Faculty Education & Humanities	£532	£543	£567	£767	£5,191	£4,659	875.8%
City Enterprise	£254	£243	£307	£161	£218	£-36	-14.2%
Total Commercial & Overseas Course Fee Income	£5,314	£5,459	£5,813	£5,224	£6,238	£924	17.4%
Commercial Fee Income	£3,106	£3,221	£3,844	£3,422	£3,988	£882	28.4%
Overseas Fee Income	£2,208	£2,238	£1,969	£1,802	£2,250	£42	1.9%
Total Commercial & Overseas Income	£5,314	£5,459	£5,813	£5,224	£6,238	£924	17.4%
EU Grants & Other Grants	£56	£341	£189	£354	£434	£378	675.0%
Malta	£583	£88	£0	£128	£74	£-509	-87.3%
Angola	£650	£150	£0	£64	£0	£-650	-100.0%
Nautical Faculty - Exam Fee Charges	£242	£282	£268	£178	£182	£-60	-24.8%
Leisure & Lifestyle Faculty - Outlets	£153	£138	£261	£275	£280	£127	83.0%
Other Income	£826	£861	£627	£1,333	£965	£139	16.8%
Total Other Commercial Income	£2,510	£1,860	£1,345	£2,332	£1,935	£-575	-22.9%

Student Recruitment Plan 2018-19 NON Fundable Fee Income Summary

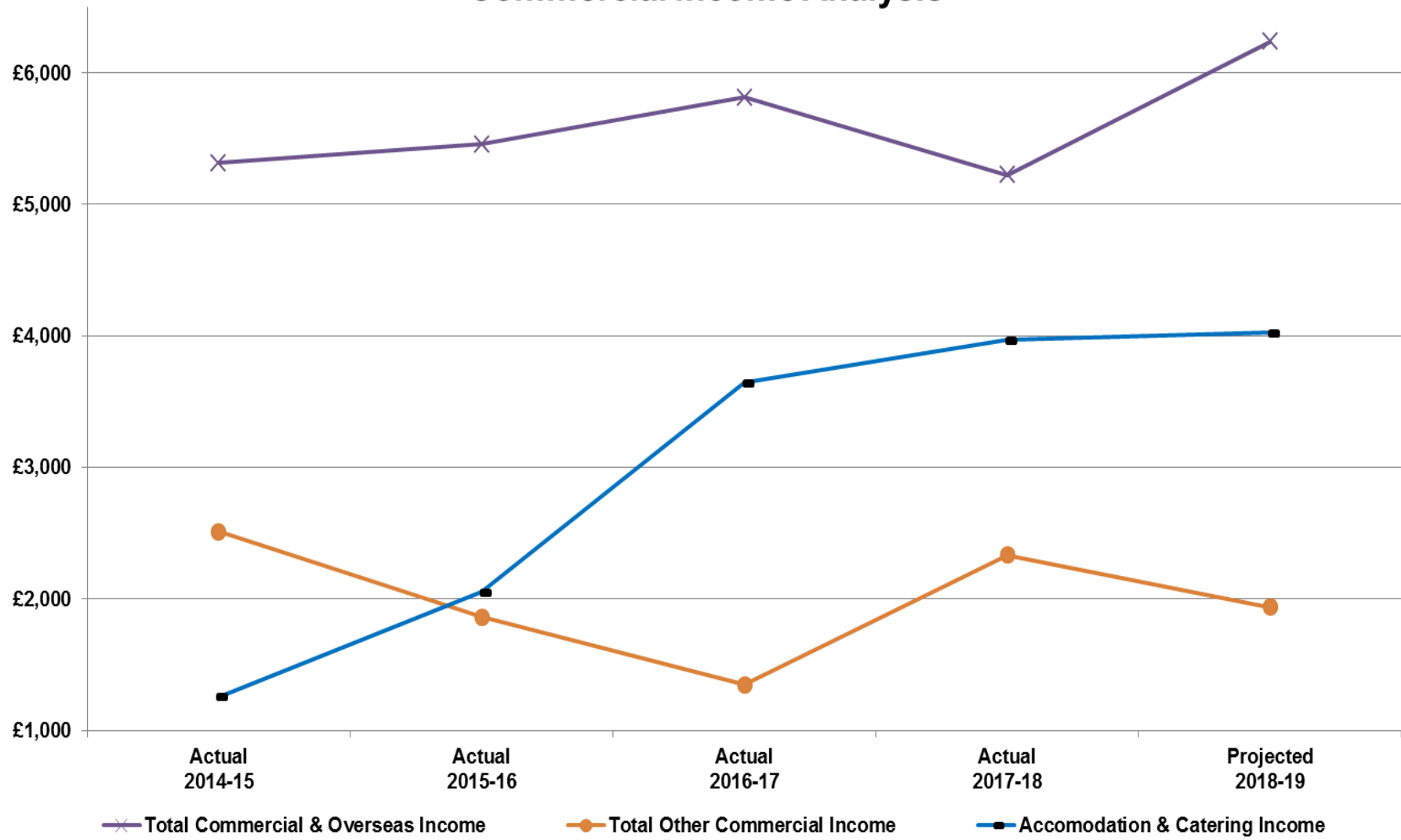
Faculty	Total NON Fundable Fees ACTUAL 16/17	Total NON Fundable Fees ACTUAL 17/18	Total Commercial Fees Target 18/19	Commercial Fees Proj 18/19	Total Overseas Fees Target 18/19	Overseas Fees Proj 18/19	Total Comm & Overseas Fee Proj 18/19	Total Educational Contract Fees Target 18/19	Educational Contract Fees Proj 18/19	Total HE Articulation Fees Target 18/19	HE Articulation Fees Proj 18/19	Total NON Fundable Fees Target 18/19	Total NON Fundable Fees Proj 18/19
Creative Industries	£379,875	£402,980	£128,610	£102,142	£0	£6,525	£108,667	£170,015	£73,100	£121,316	£122,429	£419,941	£304,195
Education & Humanities	£1,296,599	£1,481,476	£668,582	£627,556	£8,970	£20,440	£647,996	£396,482	£476,619	£283,743	£335,891	£1,357,777	£1,460,505
Hospitality & Leisure	£580,037	£536,471	£50,016	£59,208	£0	£13,050	£72,258	£183,255	£171,834	£280,530	£286,808	£513,801	£530,900
Nautical Science & STEM	£5,224,408	£4,502,730	£2,509,958	£2,959,938	£1,836,131	£2,210,351	£5,170,290	£0	£0	£292,249	£336,443	£4,638,338	£5,506,733
O - Organisational Dev	£0	£0	£3,928	£20,928	£0	£0	£20,928	£0	£0	£0	£0	£3,928	£20,928
City Enterprise	£307,288	£161,909	£209,591	£217,640	£0	£0	£217,640	£0	£0	£0	£0	£209,591	£217,640
Grand Total	£7,788,208	£7,085,567	£3,570,685	£3,987,411	£1,845,101	£2,250,366	£6,237,777	£749,752	£721,553	£977,839	£1,081,571	£7,143,376	£8,040,901

CITY OF GLASGOW COLLEGE

INCOME ANALYSIS	Actual 2014-15 £000	Actual 2015-16 £000	Actual 2016-17 £000	Actual 2017-18 £000	Projected 2018-19 £000	5 Year Growth £000	5 Year Growth %
Total SFC Income (excl NPD)	£31,382	£35,236	£40,284	£42,697	£46,068	£14,686	46.8%
Total Course Fee Income	£11,092	£11,639	£12,435	£12,848	£12,610	£1,518	13.7%
Accommodation & Catering Income	£1,257	£2,051	£3,644	£3,968	£4,023	£2,766	220.0%
Total Commercial & Overseas Income	£5,314	£5,459	£5,813	£5,224	£6,238	£924	17.4%
Total Other Commercial Income	£2,510	£1,860	£1,345	£2,332	£1,935	£-575	-22.9%
TOTAL COMMERCIAL	£7,824	£7,319	£7,158	£7,556	£8,173	£349	4.5%
TOTAL COMMERCIAL PLUS 2.5% INFLATION	£7,824	£8,020	£8,220	£8,426	£8,636	£812	10.4%

£000

City of Glasgow College Commercial Income Analysis



Risk Management Action Plan

Risk Description: Failure to agree a sustainable model and level of grant funding within Glasgow Region

Risk ID: 23

Owned by: VPCS

Review Date: May 2019

Update

Full Description:

Context:

While approving the new campus development and funding, the Scottish Funding Council (SFC) also confirmed their commitment to 210,000 WSUMs (subsequently referred to as 180,000+ Credits) of funded activity once the campus was complete.

In February 2015 the Scottish Government, SFC, Glasgow Colleges Regional Board (GCRB), and the three College Boards agreed a Curriculum and Estates Strategy for Glasgow, and in doing so, ensured that the City of Glasgow College receives the equivalent of 210,000 WSUMs within an agreed timeframe. Within the agreed 2015-2020 Curriculum and Estates Plan for the Glasgow Region to ensure that the grant-funded activity level target for City is achieved. Although the annual total volume of funded activity has been agreed, the value of the funding is still subject to annual discussion and agreement.

SFC announces annually the initial regional funding allocations following which GCRB allocate funding to the three Glasgow Colleges.

In 2015-16 & 2016-17, 26 staff were TUPE transferred from Kelvin to City; no further staff transfers are required. The transfer of Credits within the region agreed in the Curriculum and Estates Plan for the Glasgow Region was completed in 2016-17.

Commentary (Update):

SFC announced the 2019-20 initial regional funding allocation on the 28th February 2019. The Regional funding allocation slightly reduced the total regional Credits, City's SFC Credit target is 179,926 only slightly below the agreed activity level of 180,000+ Credits. The SFC allocation is a flat cash plus the agreed additional national bargaining funding.

The 2019-20 GCRB funding allocation means that City has the lowest grant per Credit in the sector at £225 per Credit compared to the Glasgow Regional average of £247 and the sector average of £274.

The 2019-20 SFC Capital Maintenance grant allocation within the Region is extremely disappointing for City of Glasgow College. We continue not to receive any share of the additional backlog maintenance SFC Capital Maintenance grant funding. At a sector and regional level the remaining SFC Capital Maintenance grant available for general use continues to decline. The Glasgow was £3.5m, however GCRB have only allocated City £0.9m for all our capital and maintenance requirements. The approved new campus business case included £1.4m of the annual SFC Capital Maintenance grant being allocated to the NPD costs.

GCRB have also retained an additional £246k for running costs and GCRB lead projects. The impact across the Glasgow Colleges is a funding reduction excluding the additional national bargaining funding.

The level of uncertainty regarding the value of future funding is still high with significant risk linked to SFC and GCRB funding methodology. Significant issues for future GCRB College funding allocations are;

- Capital funding
- ESF funding
- National bargaining funding
- IT infrastructure funding

This risk is being mitigated by robust curriculum planning at City and close involvement with GCRB and the other Glasgow Colleges.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 4/5 Risk Score 12/25 RAG Rating: AMBER Target Score: 5	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Financial <u>Low</u> Medium High 1 2 3 4 5 6

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				

Risk Management Action Plan

Risk Description: Failure of IT System Security

Risk ID: 25

Owned by: VPCS

Review Date: May 2019

Update

Full Description:

1. Cybercrime
2. Other emergency circumstances resulting in main service failure, and threatening the operation of the college as described in Business Continuity Plan.

Treatment:

1. Maintain current operational controls.
2. Review Business Continuity Plan (BCP).
3. Ensure that IT Disaster Recovery plans are developed and reviewed.
4. Test and Review at local and College level.
5. Complying with GDPR.
6. Adoption and compliance with UK Government Cyber Essentials Plus recommendations.
7. Enhance security cyber defence and response capability within college IT services.

Commentary (Update):

Cybercrime:

The college network infrastructure remains effective in utilising defensive and detection measures to mitigate the risk of cyber attacks. However, the persistent and constantly evolving threat of criminal and malicious activity, along with emerging vulnerabilities, new technologies and the rise of nation state actors in this arena, require an ongoing programme to maintain a diligent defence to potential threats.

- Antivirus software to counter malware / ransom ware
- Centralised management and configuration of devices
- Active network monitoring tools
- Web and email filters to quarantine suspicious material
- Intruder prevention / detection measures to counter active hackers
- Port filtering and automated defence measures against network attacks (e.g. Distributed Denial of Service)
- Protection against data & web vectors (e.g. SQL injection)
- Awareness raising programmes, policy and guides to counter social engineering / Phishing
- Role based permissions and segregation of access to minimise risk of

accidental damage and internal attacks

- Encryption to defend against data loss / theft.

To reduce the likelihood of a failure the college has taken the following additional measures:

- The College has renewed subscriptions for two of the leading antivirus providers (Bitdefender and Sophos). This means that the College benefits from a multi-vendor approach to security across campus.
- The College physical IT estate (classroom and staff PCs) has been refreshed with the latest version with an improved management platform for Sophos to enable quicker alerting to incidents.
- The College VDI platform has been updated to use Bitdefender due to better “on demand” scanning for VDI.
- The College is configuring servers to scan central file storage using both versions of AV to ensure that any zero day exploit risk is minimised.
- The College continues to monitor and apply security patches to desktop machines, network devices and server infrastructure.
- The College has a clear plan for ensuring GDPR compliance including a review of data and systems with associated recommendations for improvements. (There is a standalone risk plan for Data Protection – Risk MAP 24).
- The College will ensure that effective IT Disaster Recovery plans and preventative measures are in place.
- The College is reviewing and updating our Information Security policy to reflect changing requirements.
- The College will continue to pursue achieving and maintaining UK Government Cyber Essentials Plus accreditation to demonstrate high standards of security governance.

The following measures are also proposed to enhance the depth and scope of our cyber resilience capability:

- The College will seek to identify IT security competencies within existing staff and consolidate to share best practice. We will also seek to formally identify specialist IT security responsibilities to be assigned to specific posts as part of the current Leadership restructure.
- The College will develop and extend our Cyber Essentials programme towards the adoption of ISO 27001 IT Security standards (existing strategic target to evaluate options by 2020).
- Improvements to incident response / reporting through Operations Desk to reduce the impact of potential breaches.
- Alignment of the college capital investment programme with security infrastructure lifecycles to maintain a viable cyber resilience environment.
- The College will evaluate measures for the effective management and remote support of external assets such as mobile devices and laptops to improve standardisation of security measures and reduce risk from theft or loss.

May 2019 Update:

Cyber Essentials Plus accreditation is currently behind schedule and will be achieved in June 2019. Improvements have already been made on identified infrastructure equipment highlighted by our Technology Partner to ensure industry good practice is being followed. External network penetration test has been successfully completed with the College network security preventing unauthorised access during the test scenario. The main compliance failures relate to out of date or unsupported teaching software and a decision was taken to replace these during June to avoid impacting on students and staff at the end of their course.

The College network and software is currently secure and robust. In the past 2 weeks the College has successfully managed and mitigated several Denial of Service cyber attacks.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 5/5 Risk Score 10 /25 RAG Rating: RED	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Changed by Audit Committee from AMBER in November 2018 Target Score: 5	
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Business Continuity <u>Low</u> Medium High 1 2 3 4 5 6

	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				

Risk Management Action Plan

Risk Description: Failure of Compliance with the General Data Protection Regulations (GDPR)

Risk ID: 24

Owned by: DCS/CSP

Review Date: April 2019

Update

Full Description: Failure to be effectively prepared as an organisation to comply with the GDPR from its commencement in May 2018.

Detailed risks:

- Significant fines for non-compliance.
- The GDPR also makes it easier for individuals to bring private claims against organisations.
- Where we fail to comply there are clear reputational risks for the College both with external stakeholders and with our staff and students.

Treatment:

Clear implementation project. Extensive and CoGC bespoke training programme for staff to be rolled out. Engagement with JISC to validate and augment internal findings and recommendations. Internal Auditor has reported that we have a valid plan to be 'GDPR ready' by 25 May 2018.

Commentary (Update):

The Audit Committee noted advice from the External Auditor regarding the Protection of Personal Data Directive from the EU (which the UK Government will extend post-Brexit).

The General Data Protection Regulations (GDPR) will come into force in the UK from 25 May 2018.

Failure to comply with could result in very considerable fines being imposed and the possibility of reputational damage.

A paper has been presented to SMT (August 2017) and was included on the Audit Committee agenda (September 2017). The Risk Management Action plan was included on the College high level Risk Register from September 2017.

Many of the GDPR's main concepts and principles are much the same as those in the current Data Protection Act (DPA). The College's current approach to compliance will remain valid under the GDPR and can be the starting point to build from. However, there are new elements and significant enhancements, so we will have to do some things for the first time and some things differently.

The impact of the GDPR is dependent upon the nature of an organisation's business, the personal data it processes and what it actually does with that data. We are currently carrying out a data audit and mapping exercise. This will ensure that we understand clearly what are doing with both the data of students and employees across the organisation. This exercise is enabling us to prioritise areas for action and identify what aspects of the GDPR will have the greatest impact on the College.

If we as an organisation take the time to properly prepare for and comply with the new Regulation then we will not only avoid the risk of significant fines and reputational damage, but take advantage of the opportunity to improve our data handling and information security systems and our compliance processes and to ensure that our contractual, staff and student relationships are more professional, robust and reliable.

Update as at 19/2/18

A series of audit and legal/practical advice meetings have been carried out by the Director of Corporate Support with teams and staff across a wide range of business areas, selected to ensure coverage of key data sets and processes. This has already significantly raised awareness across the College. A report on findings and recommendations for process improvements has been shared with JISC who are carrying out a validation exercise for us. JISC was appointed via competitive process in January 2018 to support our preparation process and carry out this review and validation exercise.

A project plan is in place and being managed by the Director of Corporate Support.

A training plan is in place which will deliver awareness training to all staff before end May 2018. This will include a bespoke online module and face to face training. The face to face training sessions have already started.

The ICO recognises that the process of complying with the new legislation will not be 'complete' by 25 May 2018 and in fact will probably never be 'complete' since there will always be room for improvements and new data entering and leaving large organisations. However, organisations do need to be able to demonstrate that they are aware of the legal requirements, understand the personal data they hold and how well they are managing it, have a plan to tackle areas where there is room for improvement and have taken all reasonable steps to raise awareness amongst staff. The College's project plan seeks to achieve that.

Update as at 10/5/18

The project plan for GDPR readiness was validated by our Internal Auditor in April and we remain on track to deliver the key components of the ICO's 12 Step Recommendations. The audit report did highlight a weakness in that we do not have an Information Security Policy in place for staff. As an interim measure advice on info sec is included as standard in all data protection training and an advice email will be circulated to staff by ICT.

The recommendations report referred to above was presented to SMT on 18 April and a decision was made to form an Information Management Group. The group has key responsibilities under the new Data Protection policy and will review and oversee

implementation of these recommendations for action, which seek improve our compliance with data protection law and reduce the risks of data being lost or compromised.

Awareness raising continues:

- Over 200 key staff have attended face to face data protection training delivered by the Director of Corporate Support;
- An online module is about to be launched and will be compulsory for all staff;
- The Staff Privacy Notice has been issued;
- A website page is being set up to host all key College information on data protection; and
- SMT considered GDPR reports and procedures on 18 April and 2 May 2018.

Governance reporting includes:

An update was provided to the Performance, Nominations and Remuneration Committee on 30 April 2018;

The new Data Protection Policy was approved by the Audit Committee on 15 May 2018; and a report was provided to the Board on 6 June 2018.

The internal Audit of Data Protection was presented to the Board in May 2018, and stated that:

“Whilst the College has reviewed the requirement of the GDPR and identified areas where work is required to comply (which is set out in a detailed action plan), it was noted that the College does not currently have an approved Information Security Policy. An interim measure has been put in place with a draft Policy to be finalised by the second half of 2018. As appropriate action is being taken, no recommendations have been made.”

Update as at 3/09/18

- There is a dedicated website page hosting all relevant data protection related procedures and notice.
- New data privacy impact assessment procedures have been introduced for all projects where significant amounts of personal data are being processed e.g. new ICT systems or information sharing with new external partners.
- There is a privacy notice available for all board members and prospective board members.
- The information management group met on 26 June 2018.
- Further training continues.
- The online compulsory staff module has been available since May 2018.
- An update report was provided to SMT on 29 August 2018.

Update as at 8/03/19

- New CCTV procedures have been approved.
- ICT is making progress to Cyber Essentials with a projected date of end March 2019, subject to ongoing review.
- New HR and Payroll systems implemented (significant paper processes no longer used).
- 720 online and face to face training sessions have been delivered to staff.
- Full document management schedule for all forms of data (including personal data) has been completed detailing managers responsible for all data across the organisation.
- Information sharing agreement in place with SFC.
- All commercial goods and services contracts where personal data is transferred have been amended to reflect new DP law.

April 2019:

The Director of Corporate Support who was the named Data Protection Officer for the College, has left employment at the College, and at April 2019 has not yet been replaced. This represents a temporarily heightened risk, to be assessed by the Audit Committee.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 2/5 Impact 4/5 Risk Score 8/25 RAG Rating: AMBER Score to be revised due to absence of named Data Protection Officer for the College (see above, April 2019). Target Score: 5	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Compliance/ Reputation <u>Low</u> Medium High 1 2 3 4 5 6

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				