

## Board of Management: Audit Committee

<b>Date of Meeting</b>	<b>Wednesday 19 February 2020</b>
<b>Paper No.</b>	<b>AC3-C</b>
<b>Agenda Item</b>	<b>5.1</b>
<b>Subject of Paper</b>	<b>Strategic Risk Review</b>
<b>FOISA Status</b>	<b>Disclosable</b>
<b>Primary Contact</b>	<b>Paul Clark, College Secretary/Planning</b>
<b>Date of production</b>	<b>12 February 2020</b>
<b>Action</b>	<b>For Discussion and Decision</b>

### 1. Recommendations

1.1 To consider the review of high-scoring (Amber and Red) risks, and to review risks under the Committee's remit.

1.2 To approve associated Risk Management Action Plans (MAPs) noting the updated commentaries and proposed changes to Risk scores as highlighted.

1.3 To approve the addition of new Strategic Risk 26 (re TDAP).

1.3 To review and approve the updated Risk Register

## 2. Purpose of report

2.1 The purpose of this report is to provide the Board, through the Audit Committee, with an update on the Senior Management review of strategic organisational risks, via the Risk Management Actions Plans (MAPs) for high-scoring risks, and any risks with proposed risk score alterations or other recent changes. Also included is the Risk Register, each highlighting any recent alterations to risk scores.

## 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, Audit Committee, and the Board of Management. This responsibility is highlighted in the College Strategic Plan at Priority 6. "To be efficient, effective, innovating, and vigilant".

3.2 The current strategic risks have been identified by SMT and the Audit Committee, as the primary strategic risks currently faced by the College. The risks are aligned within the same framework of strategic themes as the College Strategic Plan. The risks included in the Risk Register have potential impacts on one or more of the College's strategic priorities.

3.3 Strategic risks have been reviewed in the current review cycle to February 2020, involving senior Risk "owners".

3.4 One new risk has been proposed to be included as a Level 1 Risk in the College's Risk Register: Risk 26: Failure to achieve taught degree awarding powers". The draft Risk MAP for this Risk is attached.

3.5 The risks which have been identified as the highest scoring risks (i.e. high likelihood, high impact – RAG rated as "Red" and "Amber") are also presented with updated mitigations and commentary within the relevant Risk Management Action Plans (MAPs).

3.6. In particular please note:

- Risk 6: Negative Impact upon College reputation - previously scored as 2 (likelihood) x 5 (Impact) = 10 **AMBER**. Given the current investigation into suspected fraud, it was agreed by the Board and Committee that the likelihood be increased to 3, to score 3x5=15 (**RED**). Note the low appetite and tolerance for this risk.

- Risk 10: Negative impact of statutory compliance failure- this risk is influenced by other risks, and has recently been susceptible to the risks associated with GDPR – specifically the requirement for a dedicated Data Protection Officer. This vacancy has now been filled on a 0.6FTE basis. The Depute Principal has provided the Board and Audit Committee with regular updates on progress relating to Health and Safety, and Data Protection Action Plans, following receipt of Internal Audit Reports requiring action.

A potential compliance failure has been identified with regard to public sector website and app accessibility standards; an external audit is proposed by way of managing this risk. Current risk score 2x5=10 (AMBER).

- Risk 11 – Failure of Corporate Governance – this risk includes the “governance procedures and processes” and the assurances provided by internal and external audit. The Committee is considering a more structured approach to assurance monitoring via a new Assurance Framework. Current Risk Score 1x5=5 (GREEN).
- Risk 12 – Failure of Business Continuity: This risk was scored RED due to lack of Business Recovery Plans across the College. Ashton Resilience was engaged to undertake Business Impact Analyses for each faculty and service area in 2019, followed by development of Business Recovery Plans (BRPs) for each. This work is now complete, and has been the subject of an Internal Audit of Business Continuity (report due to Committee in November 2019).

The Internal Audit of BCP was presented to the Audit Committee in November 2019, with a high assurance rating of Good (with one level 3 recommendation). As a consequence, the Committee agreed to reduce the risk score from a score of 3x5=15 (RED) to 2x5=10 AMBER, with a view to further revision once the recommended action has been completed.

- Risk 15 - Failure to achieve operating surplus via control of costs and achievement of income targets.

The EA Report of 2016-17 recommended that: “College reconciles the fixed asset register to the room data sheets and ensure the fixed asset register reflects the asset tag numbers.” The EA Report of 2017-18 (presented in November 2018) updates this outstanding recommendation thus “Our review in 2017/18 found that while IT assets are all appropriately tagged there is still some discrepancy over other assets.”.

FPRC agreed revised risk score of 2 x 3 AMBER, “to be kept under close review (FPRC 22 05 19). Reviewed and approved by Audit Committee, September 2019. The current assessment is that this risk be scored 3x3 AMBER, based on the current 2019/20 projections and associated financial risks.

- Risk 23 Failure to agree a sustainable model and level of grant funding within Glasgow Region - scored 12 **AMBER**.
- Risk 24: Failure of Compliance with the General Data Protection Regulations (GDPR) – see comment above re Risk 10. Current risk score  $3 \times 4 = 12$  (**AMBER**) - increased from 8 following IA report on Data Protection May 2019.
- Risk 26: Failure to achieve taught degree awarding powers (TDAP). This is proposed as a strategic risk to the College, given the stated commitment to the aim, allocation of resource, and potential benefits, all outlined in the revised business case presented to the Learning and Teaching Committee on 4 February 2020. The TDAP project team oversees a Project Risk Register, which would be better aligned with the College Risk Register, via this Level 1 Risk and associated Level 2 (supporting) risks. (No score recommended at present).

3.7 A revised Risk Register is included in the appendices.

## 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 Risk 16 specifically addresses the new key strategic aim of the College to: "Secure diversity of income and sustainable development".

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

4.5 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: Selected Risk MAPs**

## Risk Register: 14 February 2020

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		<a href="#">Risk 1 MAP.docx</a>	Oct '19
Students	Failure to establish optimal pedagogical model	2	1	VPSE	1	5	5	20	5		<a href="#">Risk 2 MAP.docx</a>	Sept '19
Students	Failure to achieve good student outcome/progression levels	3	1	VPSE	2	5	10	15	5		<a href="#">Risk 3 MAP.docx</a>	Sept '19
Students	Failure of the College's Duty of Care to Students	21	1	VPSE	1	5	5	20	4		<a href="#">Risk 21 MAP.docx</a>	Sept '19
Growth and Development	Failure to realise planned benefits of Regionalisation	4	1	Pr/DPr	3	3	9	20	3		<a href="#">Risk 4 MAP.docx</a>	Feb '20
Growth and Development	Negative impact upon College reputation	6	1	VPCDI	3	5	15	25	5	Amber to RED AC 05/19	<a href="#">Risk 6 MAP.docx</a>	Jan '20
Growth and Development	Failure to achieve improved business development performance with stakeholders	7	1	VPCDI	2	5	10	25	5		<a href="#">Risk 7 MAP.docx</a>	Jan '20
Growth and Development	Failure to achieve improved performance	8	1	VPSE/DirP	2	5	10	20	5		<a href="#">Risk 8 MAP.docx</a>	Sept '19
Growth and Development	Failure to attract, engage, and retain suitable staff	9	1	VPCS	2	2	4	20	3		<a href="#">Risk 9 MAP.docx</a>	Oct '19
Growth and Development	Failure to achieve taught degree awarding powers	26	1	VPCS	tbc	tbc	#VALUE!	20	3	New Risk (AC 02/20)	<a href="#">Risk 9 MAP.docx</a>	Feb'20
Processes and Performance	Negative impact of statutory compliance failure	10	1	CSP/DCS	2	5	10	20	5	Monitor IA actions AC 5/19	<a href="#">Risk 10 MAP.docx</a>	Feb'20
Processes and Performance	Failure of Compliance with the General Data Protection Regulations (GDPR)	24	1	DPr	3	4	12	25	5	Score incr. 12 from 8 AC 05/19	<a href="#">Risk 24 MAP.docx</a>	Jan'20
Processes and Performance	Failure of Corporate Governance	11	1	Pr/CSP	1	5	5	20	5	Monitor IA actions AC 5/19	<a href="#">Risk 11 MAP.docx</a>	Feb'20
Processes and Performance	Failure of Business Continuity	12	1	VPCS/CSP	2	5	10	25	4	Score decr.. 15 to 10: AC 11/19	<a href="#">Risk 12 MAP.docx</a>	Feb'20
Processes and Performance	Failure of IT system security	25	1	VPCS	2	5	10	25	5	Score decr.. 15 to 10: FPRC 02/19	<a href="#">Risk 25 MAP.docx</a>	Oct '19
Processes and Performance	Failure to manage performance	13	1	VPSE/DirP	1	4	4	20	4		<a href="#">Risk 13 MAP.docx</a>	Sept '19
Processes and Performance	Negative impact of Industrial Action	14	1	VPCS	3	4	12	25	4		<a href="#">Risk 14 MAP.docx</a>	Oct '19
Finance	Failure to achieve operating surplus via control of costs and achievement of income targets.	15	1	VPCS	2	3	6	25	4	Recommend change 6 to 9 AC 02/20	<a href="#">Risk 15 MAP.docx</a>	Feb'20
Finance	Failure to maximise income via diversification	16	1	VPCS/VPCDI	4	3	12	20	4		<a href="#">Risk 16 MAP.docx</a>	Feb'20
Finance	Failure to obtain funds from College Foundation	20	1	VPCS	1	4	4	20	4		<a href="#">Risk 20 MAP.docx</a>	Feb'20
Finance	Negative impact of Brexit	22	1	VPCS/DCS	5	2	10	tbc	5		<a href="#">Risk 22 MAP.docx</a>	Feb'20
Finance	Failure to agree a sustainable model and level of grant funding within Glasgow Region	23	1	VPCS	3	4	12	25	5		<a href="#">Risk 23 MAP.docx</a>	Feb'20

### 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  
AC - Audit Committee

Risk Score 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	

Note comment

Trend								
Date	Jun-17	Dec-17	Jun-18	Dec-18	Jun-19	Dec-19	Jun-20	Dec-20
Average Risk Score	10	9.56	9	9	9.43	8.95		

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:** Jan 2020

### 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: (new text in red)

1. The Associate Director for Brand & Communications has reviewed the operational elements and structure of the team to ensure that is fit for purpose to maintain and enhance the college brand on social media platforms.
2. A new PR/Public Affairs company is being procured to assist with the ongoing promotion and public affairs positioning that the college requires.
3. College Complaints Procedure to be available and communicated to all employees; train staff, including managers in operation of college policies & procedures, including legal requirements.
4. Management monitoring and control supported by the work of the College internal and external auditors.
5. 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 and extended college staff.

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 various media monitoring platforms the College continues to monitor its coverage, reputation and positioning within the marketplace on a daily basis
5. Ongoing press/media 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 2019/20 with a total of almost 60 awards and accolades for the calendar year 2019.

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.

At Sept 2019

The Principal continues to keep the Committee and Board of Management up to date with ongoing investigations, and report due dates, as far as is known and appropriate for dissemination.

January 2020

Risk Treatment (1-2) and Commentary (3-6) updated above.

Current Risk Score:	Gross Risk Score (assuming no treatment)
<p>Likelihood 3/5</p> <p>Impact 5/5</p> <p>Risk Score 15/25</p> <p>RAG Rating: <b>RED</b></p> <p>(increased from AMBER – Audit Committee 15/5/19).</p> <p><b>Target Score: 5</b></p>	<p>Likelihood 5/5</p> <p>Impact 5/5</p> <p>Risk Score 25/25</p>



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				

<b>Risk Management Action Plan</b>	
<b>Risk Description: Negative impact of statutory compliance failure</b>	
<b>Risk ID: 10</b>	
<b>Owned by: CSP/DCS</b>	<b>Review Date: February 2020</b>

<b>Update</b>
<p>Full Description:</p> <p>Where some of the risks listed represent the ultimate sanction possible e.g. conviction, all action short of that and from the point of allegation is a risk to the organisation.</p> <p>Detailed risks:</p> <ol style="list-style-type: none"> <li>1. Breach of Equalities legislation upheld by Tribunal (e.g. successful discrimination claim)</li> <li>2. Equal pay challenge</li> <li>3. Unfair dismissal claims (including whistleblowing)</li> <li>4. FOISA - appeal to Scottish Information Commissioner upheld</li> <li>5. Serious breach of the Data Protection Act 1998, European Union General Data Protection Regulation (GDPR), and/or UK Data Protection Act, 2018 (DPA).</li> <li>6. Employment Tribunal appeal upheld</li> <li>7. Safeguarding /PVG failure</li> <li>8. Contravention of Bribery Act 2010</li> <li>9. Conviction for breach of the Corporate Manslaughter and Corporate Homicide Act 2007</li> <li>10. Conviction for Breach of H &amp; S legislation</li> <li>11. Breach of procurement legislation upheld</li> <li>12. Failure of compliance with Equality Act 2010: Specific Duties</li> <li>13. Loss of UKVI Highly Trusted Status (Now referred to as Tier 4 provider).</li> <li>14. Failure to comply with Counter Terrorist and Security Act 2005 and "Prevent" legislative requirements</li> <li>15. Failure to comply with the Children and Young People (Scotland) Act 2014 (Corporate Parenting)</li> <li>16. Failure to comply with EU directive on Protection of Personal Data (applies from May 2018) NB A new Risk Management Action Plan Risk MAP 24) has been created for this issue.</li> <li>17. Failure to comply with public sector website accessibility standards [ref. Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.]</li> </ol> <p>Treatment:</p> <ol style="list-style-type: none"> <li>1. Train staff, including managers in operation of college policies &amp; procedures, including legal requirements; Incorporate in all Balanced Scorecards re: responsibility for D&amp;E</li> <li>2. The harmonisation of teaching pay scales is part of the national bargaining discussions. In terms of support staff the implementation of a job evaluation scheme has been concluded. See Risk MAP 14. Gender Pay Gap is reported and is the subject of a CoGC based research project planned for Jan-Dec 2018, involving staff focus groups.</li> </ol>

3. Seek advice from College Secretary, HR Director, and Director of Corporate Support (who has the authority to access external legal specialist support), where appropriate, on key policy/procedural matters, and where risk profile is assessed as high or increasing due to possible or likely non-compliance. Whistleblowing Policy and Procedure developed, approved, and published (2017 ;
4. As above
5. Robust policies in place; Training of staff – e-learning module rolled out Feb 2013
6. Train managers in operation of college policies & procedures; Recruitment of suitably skilled HR staff to advise and guide managers in legal matters
7. Have appropriate policies in place for both students and staff; train managers in operation of college employee policies & procedures. Mandatory staff training; module on My City.
8. Robust policies; Training for staff
9. Train staff, including managers in operation of College Health & Safety policies & procedures, including legal requirements; ensure all facilities/equipment well maintained and regularly tested; Ensure robust regular internal audit.
10. Train managers in operation of college employee policies & procedures, including legal requirements;
11. Seek procurement advice from Procurement Team and, where appropriate, legal advice from the Director of Corporate Support (., (who has the authority to access external legal specialist support), where appropriate, on key policy/procedural legal matters and where risk profile is assessed as high or increasing due to possible or likely non-compliance
12. All College Policies and Procedures require an Equality Impact Assessment (EQIA); Policy and Procedure EQIAs currently are collated by E,D&I team.
13. Close working relationship with UKVI maintained to reduce risk of loss of Highly Trusted Status. UKVI Audit undertaken January 2019.
14. Development and rollout of “Prevent” compliance training; Development of College Prevent Policy.
15. Board of Management corporate parenting training undertaken February 2017; SMT training in April 2017. Development of Corporate Parenting Action Plan.
16. Sub-risk added March 2017, following advice from External Auditor. Now elevated to a stand alone strategic risk (Audit Committee September 2017) with risk treatment involving external consultation with JISC to validate and augment internal findings and recommendations. SMT has agreed the formation of a Data Management WG to progress a series of recommendations relating to GDPR compliance. GDPR training has been rolled out across the College, and is ongoing (Aug 2018). Internal Audit of DP presented to Audit Committee, May 2018. 15 May 2019: Completion of all recommended actions from IA reports on Health and Safety and Data Protection to specified timescale.
17. Proposal to engage JISC to undertake a co-ordinated audit to address compliance with UK Government accessibility requirements for public sector bodies, I.e. by ensuring that the following College services/applications are “ [‘perceivable, operable, understandable and robust’](#) <sup>1</sup>:
  - The College Website
  - LibWeb
  - CitySA
  - Connected
  - MyCity

<sup>1</sup> <https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps>

Commentary (Update):

Re 1. Following the merger there was a risk of an equal pay challenge if males and females were doing work of equal value and being paid differently. This matter was addressed with the implementation of job evaluation.

Re 4. A recent appeal to the SIC was upheld; however this found only that a request should have been dealt with under Environmental Information Regulations rather than FOISA. The information concerned was still withheld as commercially sensitive, quoting the relevant EIR Regulation (10) (5) (e) rather than the appropriate FOISA exemption. Quantity and complexity of FOI requests is noted as increasing significantly. Reportage to Audit Committee undertaken from 2017.

Re. 7 (Safeguarding/PVG challenge) above: Criminal convictions declaration required at application and enrolment. For staff a risk assessment is conducted if a member of staff has an unspent conviction.

Re. 12. All policies in place as appropriate, with training provided as necessary. SMT and the Audit Committee had noted in 2013-14 that many Policies and Procedures required an Equalities Impact Assessment (EQIA). As the first deadline for completion (Feb 2014) was not met, the risk score for this risk had been elevated to 6 Amber. SMT confirmed that by June 2014, all Policies and Procedures had recorded completed EQIAs. As at October 2015, all Policies and Procedures have recorded completed EQIAs. Policy and Procedure tracker now in place with ongoing monthly monitoring of approval status and review dates.

Re. 13: Ongoing high priority given to maintaining compliance with UKVI regulations, following cessation of collaboration with Bangladeshi partner (WMA), following UKVI advice.

Re 14: PREVENT training delivered to SMT - September 2016. Prevent Policy drafted and reviewed by Corporate Care WG Dec 2017. Prevent raining module under development (at April 2018). Prevent Policy endorsed by SMT for Board Committee approval (April/May 2018).

Re.15: The Board of Management undertook training on corporate parenting responsibilities under the Children and Young People Act in February 2017. This was provided by Who Cares? Scotland and included input from a care experienced young person. Corporate Parenting Action Plan developed and reviewed by Student Staff and Equalities Committee October 2017).

Re 16: 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). " While the [Regulation](#) will enter into force on 24 May 2016, it shall apply from **25 May 2018**. The [Directive](#) enters into force on 5 May 2016 and EU Member States have to transpose it into their national law by **6 May 2018**." Ref: <http://ec.europa.eu/justice/data-protection/>  
Failure to comply with the directive could result in very considerable fines being imposed.

A paper was presented to SMT (August 2017) and was included on the Audit Committee agenda (September 2017). Risk MAP 24 addresses GDPR compliance - now developed, reviewed, and updated as part of the regular Risk Management cycle). SMT has agreed the formation of a Data Management WG to progress a

series of recommendations relating to GDPR compliance .

The College's readiness for the new GDPR directive was the subject of Internal Audit (April 2018) reported to the Audit Committee on 16 May 2018. The Committee noted 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."

(IA Report to Audit Committee May 2018)

## May 2019

Audit Committee: 15 May 2019.

The Audit Committee received Internal Audit Reports on Health and Safety, and Data Protection, both of which recorded an overall level of Assurance of "Requires Improvement". The Committee noted the finding of the audits, and that the current risk score would remain unchanged on condition of completion of all recommendations to agreed timescale.

## Ongoing Review of Health & Safety, Data Protection Action Plans

This risk will be reviewed by the Audit Committee with reference to the updates on Internal Audit Reports on Health and Safety, and Data Protection, action plans. Note that the position of Data Protection Officer for the College has now been filled on a 0.6FTE basis.

Re. 17: It is proposed that a comprehensive audit of accessibility compliance be undertaken by an appropriate organisation (e.g. JISC) to identify any failures of compliance and that an action plan is developed as necessary.

Current Risk Score:	Gross Risk Score (assuming no treatment)
<p>Likelihood    2/5 Impact        5/5</p> <p>Risk Score    10/25</p> <p>RAG Rating: <b>AMBER</b></p> <p><b>Target Score: 5</b></p>	<p>Likelihood    5/5 Impact        5/5</p> <p>Risk Score    25/25</p>
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<p><b>Low</b>    Medium    High</p>	<p>Category: Compliance/ Reputation</p> <p><b>Low</b>    Medium    High 1   2    3   4    5   6</p>

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 Corporate Governance**

**Risk ID: 11**

**Owned by: Pr/College Secretary**

**Review Date: February 2020**

### Update

#### Full Description:

Breach of Code of Conduct; breach of Code of Good Governance; failure of formal procedures; lack of robust/ failure of monitoring/management processes etc; breakdown of effective Board/ELT relationships.

Impact of failure would be high, but likelihood without mitigation is medium and reduces to low with mitigation. Because of the seriousness of failure, and the low tolerance of failure relating to compliance and reputation, the risk appetite is low.

#### Treatment:

- Maintenance and monitoring of sound governance procedures and processes
- Insurance against financial loss due to fraud etc.
- Identification of Risk at operational level via operational planning
- Regular meetings of Board Audit Committee
- Regular Internal and External Audit review, and reportage to Board of Management Board development activities and self-evaluation process.
- External Board Effectiveness Review
- College Secretary Training and Development
- College Secretary on Good Governance Steering Group
- Internal Audit Follow Up Recommendations to complete. (at Sept 2019).

#### Commentary (Update):

1. Internal Audit review of governance and risk (March-May 2014) found "Substantial" levels of assurance in both the design and operational effectiveness of Governance and Risk Management. Internal Audit recommendations for improvement accepted and implementation timetable agreed.
2. Review of governance processes in respect of communication and Board papers undertaken by College Secretary, and reported to full Board in June 2014. New Code of Conduct approved (June 2014) and reported to Scottish Government. New Sector Code of Governance adopted by the Board of Management in December 2014 (revised Code adopted in 2016).
3. New Recruitment and Appointments procedure for the Board of Management with accompanying documents developed in February 2015, with emphasis upon Good Governance. Revised procedures adopted for 2016 recruitment, in consultation with GCRB. Process shared with other Glasgow Colleges/GCRB.

4. Board Committees self-evaluation developed in August 2014 and rolled out October/November, with all 6 Board Committees receiving reports in Feb-March 2015. Summary review of Board Committees presented to Board in February 2015, and reported in Annual Report 2014-15.
5. Board of Management Self-evaluation process based on the International Framework for Good Governance, developed and rolled out (March-May 2015). Board development planned from June 2015 in the light of evaluation findings.
6. Board evaluation questionnaire revised to align more closely with the Code of Good Governance (March 2016) and implemented with Board Evaluation Report to Board of Management in June 2016.
7. College Secretary has completed CIPFA Certificate in Corporate Governance (2016). College Secretary chairs the CDN Secretary to the Board Steering Group.
8. The Board of Management has undertaken an External Review of Board Effectiveness/Governance as per the Code of Good Governance and ministerial direction. The Report was completed to schedule (March 31 2017) and is published on the College Website. The Report states that:
  - “There is substantial evidence of adherence to the Code of Good Governance.”
  - “(There is) Strong evidence of systematic strategic planning, showing alignment through associated supporting strategies, success measures, benchmarking and targets.”
  - “Considerable evidence of strong governance processes.”

(Ref: External Review of Governance Report 2017; p1).
9. A full Self-evaluation of Board Committees and Conveners was undertaken in 2017, and reported to the Performance Remuneration and Nominations Committee in January 2018.
10. April 2018: the Board Self-evaluation framework has been redesigned and rewritten to reflect the structure and content of the Code of Good Governance 2016. The 2018 Self-evaluation of the Board of Management is complete as at May 2018.
11. A series of meetings between the Board Chair and individual Board members took place from August to December 2018 to progress Board member appraisals.
12. The Board Secretary has attended meetings of the Good Governance Steering Group (Chair: Ken Milroy) through 2018-19, and has contributed to discussions with Scottish Government Officials on the Minister’s consideration of the 2018 Governance Consultation.

April 2019.

13. Board Self Evaluation completed April 2019, with report submitted to PNC (April 2019). Board development plan will be revised to incorporate report recommendations.



May 2019

14. The instance of suspected fraud reported to the Audit Committee on 29 April is indicative of a failure of internal control processes relating to finance, procurement, and resource management and control.

16. The College Secretary/Planning has supported a cross-college review of operational planning through 2018-19, to include risk identification. Process and template agreed by SMT at March 2019. Directors/Deans are tasked with development of new Operational Plans following the operational plan template and planning guidance provided. (Latest SMT review 22 May 2019)

16. Audit Committee: 15 May 2019.

The Audit Committee received Internal Audit Reports on Health and Safety, and Data Protection, both of which recorded an overall level of Assurance of "Requires Improvement". The Committee noted the finding of the audits, and that the current risk score would remain unchanged on condition of completion of all recommendations. However consideration would be given to an increase, in the event that the recommendations were not completed to schedule.

17. To be reviewed in the context of updates on the action plans related to Health and Safety, and Data Protection Internal Audit Reports. Ongoing updates on each provided to Committees/Board as appropriate.

Risk score dependent on satisfactory monitoring of progress re. above.

February 2020

18. Revised Board Development Plan approved and published. Audit Committee members attended external training (via "On Board") in December 2019. Remuneration Committee members have all completed CDN mandatory training. (January 2020). All Board members undertaking appraisal interviews with the Board Chair, as required by the Code of Good Governance 2016. Externally facilitated Review of Board Effectiveness planned for 2020.

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

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

<b>Risk Management Action Plan</b>	
<b>Risk Description: Failure of Business Continuity</b>	
<b>Risk ID: 12</b>	
<b>Owned by: VPCS/CSP</b>	<b>Review Date: February 2020</b>

<b>Update</b>
<p>Full Description:</p> <ol style="list-style-type: none"> <li>1. Severe Fire/Flood</li> <li>2. Terrorist attack</li> <li>3. IT Systems Failure (incl Cybercrime) - See Risk MAP 25.</li> <li>4. Other emergency circumstances resulting in main service failure, and threatening the operation of the College as described in Business Continuity Plan v3.9.</li> </ol> <p>Treatment:</p> <ol style="list-style-type: none"> <li>1. Maintain current operational controls.</li> <li>2. Create and regularly review Business Continuity Plan (BCP).</li> <li>3. Communicate plan to all senior staff.</li> <li>4. Ensure that local recovery plans are developed and reviewed.</li> <li>5. Test and Review at local and College level.</li> </ol> <p>Commentary (Update):</p> <ol style="list-style-type: none"> <li>1. Current operational controls are in place with responsibility transferred to GLQ via the NPD contract. Responsibility for communication remains with the College.</li> <li>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 (7<sup>th</sup> and 21<sup>st</sup> 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.</li> <li>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.</li> </ol>

#### 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 7<sup>th</sup> 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 7<sup>th</sup> 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.

#### September/October 2019

This risk has been scored RED due to lack of Business Recovery Plans across the College. Ashton Resilience has been engaged to undertake Business Impact Analyses for each faculty and service area, followed by development of Business Recovery Plans (BRPs) for each. This work is now complete, and has been the subject of an Internal Audit of Business Continuity (report due to Committee in November 2019). A new BCP Policy has been drafted, and endorsed by SMT for approval by the Finance and PR Committee. Update: BCP Policy approved by FPRC 2 October 2019.

#### November 2019

The Internal Audit Report of Nov 2019, indicates a level of assurance of Good, with one level 3 recommendation. In the context of this report, the Audit Committee re-assessed the score for this risk as 2x5 = 10 AMBER.

#### February 2020

The above internal Audit identified one Low Level Priority 3 recommendation to ensure that a planned scenario testing exercise is undertaken to compare all BRPs. This will further ensure that each individual plan is achievable based on documented interdependencies. This action to be completed by April 2020. A proposal to undertake this exercise with an external specialist consultant will be considered by the Finance and Physical Resources Committee (February 2020).

<b>Current Risk Score:</b>	<b>Gross Risk Score (assuming no treatment)</b>
Likelihood 2/5 Impact 5/5  Risk Score 10/25  RAG Rating: <b>AMBER</b>  Reduced from 15 (RED) following Internal Audit Report, November 2019.  <b>Target Score: 5</b> Change from 4x5=20 approved by	Likelihood 5/5 Impact 5/5  Risk Score 25/25

Audit/BoM March 2018					
<b>Risk Appetite (Willing to accept):</b>			<b>Risk Tolerance (Able to accept):</b>		
<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:** Failure to achieve operating surplus via control of costs and achievement of income targets

**Risk ID:** 15

**Owned by:** VPCS

**Review Date:** Feb 2020

### Update

**Full Description:**

Failure of the College's Strategic Priority 7, and associated Strategic Aims: To maintain our long-term financial stability.

The College's aim is to produce at least a balanced budget annually at 31<sup>st</sup> March and an underlying operating surplus annually at 31<sup>st</sup> July.

**Commentary (Update):**

The current Income & Expenditure current projections are shown in (Appendix 1).

**Operating Surplus/Deficit**

The College achieved an operating surplus in the Resource Return at 31<sup>st</sup> March 2019 and delivered an underlying operating surplus in the 2018-19 annual accounts. The College made no transfer to the College Foundation in March 2019.

In the 2018-19 the College approved financial plan budgeted for a small underlying operating surplus (£111k). This represents a small margin with significant uncertainty on major expenditure or income budgets which potentially could push the College into an underlying operating deficit. The final Income & Expenditure (Appendix 1) shows an improved underlying operating surplus of £1,201k. The leaner management structure is delivering financial savings increasing the underlying operating surplus in 2018-19 & 2019-20.

Due to increasing staff costs and under delivery of income, unfortunately the current updated financial projection for 2019-20 now shows an underlying operating deficit of £82k

The most significant challenges will be in the subsequent years of the 5 year financial planning with a very small underlying surplus projected subject to the impact of the following risks:



**Income: SFC Grant**

The key risks are;

- Failure to achieve future Credit target.
- Future SFC regional funding not sufficient to meet increased costs.
- GCRB teaching grant allocation to the College not sufficient to meet increased costs.
- Future reduction in SFC ESF funding.
- GCRB capital maintenance grant allocation to the College not sufficient to meet investment requirements.

**Income: Course Fees**

The key risks are;

- Failure to achieve the fee income target.
- Failure to deliver future years income growth.
- Future changes to the population demographics.

**Income: Non SFC Fundable Course Fees**

The key risks are;

- Failure to achieve the income target.
- Failure to deliver future years income growth.
- Failure to meet industry demands and expectations.

**Income: Other Income:**

The key risks are;

- Failure to achieve the income target.
- Failure to deliver future years income growth.
- Wider UK & international economic pressure and performance.
- Failure to meet industry demands and expectations.
- Student accommodation performance and potential increased competition.

**Expenditure: Staff Costs:**

The key risks are;

- Failure to effectively control the staff cost budget.
- Managing staff absence levels and temporary staff contracts.
- Increasing costs from national bargaining agreements.
- Delivering a staff structure that improves service and performance while minimising the staff cost budget.
- Future impact of inflation and union demand for higher annual cost of living pay awards.

- Impact of ongoing staff industrial relations issues.

### Expenditure: Operating Expenses

The key risks are;

- Failure to effectively control the operating expenses budget.
- Managing the NPD contract costs and performance.
- Future impact of potentially higher inflation.

Recommendation to increase the Risk Score to 9 based on the current 2019/20 projections and associated financial risks.

Likelihood 3/5

Impact 3/5

Risk Score 9/25

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 2/5 Impact 3/5 Risk Score 6/25 RAG Rating (Overall): <b>AMBER</b> See above recommendation Target Score: 4	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: Finance Low <b>Medium</b> High 1    2    3    4    5    6

Impact	5	10	15	20	25
	4	8	12	16	20
	3	<b>6</b>	9	12	15
	2	4	6	8	10
	1	2	3	4	5
X	Likelihood				

	Actual 2016-17	Actual 2017-18	Actual 2018-19	Projected 2019-20	3 Year Growth	3 Year Growth
<b>OPERATING SUMMARY</b>	£000	£000	£000	£000	£000	%
Total SFC Income	£59,019	£62,761	£66,566	£67,376	£8,357	14.2%
Total Course Fee Income	£12,435	£12,539	£12,634	£12,536	£101	0.8%
Total Commercial Income	£5,881	£5,936	£6,055	£6,278	£397	6.8%
Total Other Income	£1,277	£1,929	£1,672	£1,788	£511	40.0%
Student Accommodation	£2,223	£2,253	£2,385	£2,419	£196	8.8%
Catering Income	£1,421	£1,715	£1,815	£1,769	£348	24.5%
Foundation	£2,410	£2,911	£563	£1,000	£-1,410	-58.5%
NON SFC Income	£25,647	£27,283	£25,124	£25,790	£143	0.6%
<b>Total Income</b>	<b>£84,666</b>	<b>£90,044</b>	<b>£91,690</b>	<b>£93,166</b>	<b>£8,500</b>	<b>10.0%</b>
Staff Costs	£44,847	£47,567	£50,916	£52,959	£8,112	18.1%
Other operating expenses	£17,402	£17,602	£18,902	£18,386	£984	5.7%
Other operating expenses - Sale of Buildings	£843	£0	£9,350	£0	£-843	-100.0%
Depreciation	£9,957	£10,004	£10,083	£8,866	£-1,091	-11.0%
Grant to Foundation	£0	£0	£0	£0	£0	
Interest and other finance costs	£15,112	£14,915	£14,167	£13,751	£-1,361	-9.0%
Voluntary Severance	£0	£2,254	£638	£0	£0	
<b>Total Expenditure</b>	<b>£88,161</b>	<b>£92,342</b>	<b>£104,056</b>	<b>£93,962</b>	<b>£5,801</b>	<b>6.6%</b>
Operating surplus / (deficit)	£-3,495	£-2,298	£-12,366	£-796	£2,699	-77.2%
<b>Underlying Operating surplus / (deficit)</b>	<b>£342</b>	<b>£644</b>	<b>£1,201</b>	<b>£-82</b>	<b>£-424</b>	<b>-124.0%</b>

INCOME ANALYSIS	Actual 2016-17 £000	Actual 2017-18 £000	Actual 2018-19 £000	Projected 2019-20 £000	3 Year Growth £000	3 Year Growth %
SFC Grant in Aid	£32,628	£33,880	£37,196	£39,187	£6,559	20.1%
SFC Other Income	£7,599	£8,817	£9,268	£8,032	£433	5.7%
SFC NPD Income	£18,792	£20,064	£20,102	£20,157	£1,365	7.3%
<b>Total SFC Income</b>	<b>£59,019</b>	<b>£62,761</b>	<b>£66,566</b>	<b>£67,376</b>	<b>£8,357</b>	<b>14.2%</b>
Course Fees	£10,540	£10,678	£10,772	£10,616	£76	0.7%
Education Contracts	£1,895	£1,861	£1,862	£1,920	£25	1.3%
<b>Total Course Fee Income</b>	<b>£12,435</b>	<b>£12,539</b>	<b>£12,634</b>	<b>£12,536</b>	<b>£101</b>	<b>0.8%</b>
Faculty Commercial & Overseas Income	£5,506	£5,372	£5,619	£5,456	£50	-0.9%
Other Commercial Income	£375	£564	£436	£822	£447	119.2%
<b>Total Commercial Income</b>	<b>£5,881</b>	<b>£5,936</b>	<b>£6,055</b>	<b>£6,278</b>	<b>£397</b>	<b>6.8%</b>
<b>Total Other Income</b>	<b>£1,277</b>	<b>£1,929</b>	<b>£1,672</b>	<b>£1,788</b>	<b>£511</b>	<b>40.0%</b>
<b>Student Accomodation</b>	<b>£2,223</b>	<b>£2,253</b>	<b>£2,385</b>	<b>£2,419</b>	<b>£196</b>	<b>8.8%</b>
<b>Catering Income</b>	<b>£1,421</b>	<b>£1,715</b>	<b>£1,815</b>	<b>£1,769</b>	<b>£348</b>	<b>24.5%</b>
<b>Foundation</b>	<b>£2,410</b>	<b>£2,911</b>	<b>£563</b>	<b>£1,000</b>	<b>£1,410</b>	<b>-58.5%</b>
<b>NON SFC Income</b>	<b>£25,647</b>	<b>£27,283</b>	<b>£25,124</b>	<b>£25,790</b>	<b>£143</b>	<b>0.6%</b>
<b>Total Income</b>	<b>£84,666</b>	<b>£90,044</b>	<b>£91,690</b>	<b>£93,166</b>	<b>£8,500</b>	<b>10.0%</b>
<b>Total Funding Council Grant as % of Total Income (excl NPD)</b>	<b>61%</b>	<b>61%</b>	<b>65%</b>	<b>65%</b>	<b>4%</b>	
<b>Further Breakdown</b>						
Faculty Creative Ind	£76	£71	£94	£137	£61	80.3%
Faculty Hospitality & Leisure	£96	£71	£71	£44	£52	-54.2%
Faculty Nautical Science & STEM	£4,767	£4,463	£4,823	£4,758	£9	-0.2%
Faculty Education & Humanities	£567	£767	£631	£517	£50	-8.8%
<b>Faculty Commercial &amp; Overseas Course Fee Income</b>	<b>£5,506</b>	<b>£5,372</b>	<b>£5,619</b>	<b>£5,456</b>	<b>£50</b>	<b>-0.9%</b>
Commercial Fee Income	£3,537	£3,645	£3,339	£3,575	£38	1.1%
Overseas Fee Income	£1,969	£1,727	£2,280	£1,881	£88	-4.5%
<b>Faculty Commercial &amp; Overseas Course Fee Income</b>	<b>£5,506</b>	<b>£5,372</b>	<b>£5,619</b>	<b>£5,456</b>	<b>£50</b>	<b>-0.9%</b>
Malta	£0	£128	£0	£0	£0	
Angola	£0	£64	£0	£0	£0	
Business & International Income	£68	£110	£130	£249	£181	266.2%
City Enterprise	£307	£161	£175	£208	£99	-32.2%
STEM & Innovation	£0	£101	£131	£365	£365	
<b>Other Commercial Income</b>	<b>£375</b>	<b>£564</b>	<b>£436</b>	<b>£822</b>	<b>£447</b>	<b>119.2%</b>
EU Grants & Other Grants	£189	£354	£246	£611	£422	223.3%
Nautical - Exam Fee Charges	£268	£178	£210	£195	£73	-27.2%
CITY Shop Outlets	£261	£275	£266	£316	£55	21.1%
Faculty - Other Income	£298	£301	£366	£309	£11	3.7%
Other Income	£261	£821	£584	£357	£96	36.8%
<b>Total Other Income</b>	<b>£1,277</b>	<b>£1,929</b>	<b>£1,672</b>	<b>£1,788</b>	<b>£511</b>	<b>40.0%</b>

## 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:** Feb 2020

## 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 28<sup>th</sup> 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. 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 draft Scottish Budget was announced on the 6<sup>th</sup> February with a total funding increase to Colleges of £33.5m with the majority ring fenced for specific costs / activities. There appears to be minimal additional funding for the core teaching grant.

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
- GCRB running costs & projects

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

<b>Current Risk Score:</b>	<b>Gross Risk Score (assuming no treatment)</b>
Likelihood    3/5 Impact        4/5 Risk Score    12/25 RAG Rating: <b>AMBER</b> <b>Target Score: 5</b>	Likelihood    5/5 Impact        5/5 Risk Score    25/25
<b>Risk Appetite (Willing to accept):</b>	<b>Risk Tolerance (Able to accept):</b>
<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 Compliance with the General Data Protection Regulations (GDPR)**

**Risk ID: 24**

**Owned by: Depute Principal/DPO**

**Review Date: Jan 2020**

## Update

### Full Description:

Failure 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.

May 2019: IA Report to Audit Committee: Recommendations to be completed to schedule.

### Commentary (Update):

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

A paper 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.

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.



### **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.

### **Update as at 10/5/18**

The project plan for GDPR readiness was validated by our Internal Auditor in April 2018.

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.

### **Update as of 31 January 2020**

Guy Clinton, an experienced Data Protection Officer, has been in post since 19 August 2019, and, after conducting an informal Gap Analysis, has initiated tasks that are required for CoGC to meet 100% compliance with all UK & EU Data Protection Legislation. Many of these tasks are completed or nearing completion – reducing the College's overall risk.

From 19/08/19 this includes:

<b>Task identified</b>	<b>Completed by %</b>	<b>Target date for completion</b>
Article 30 Records	75%	28/2/20
DSAs (Data sharing agreements)	90%	All are up to date
DPA (Data processing agreements)	100%	All are up to date
Privacy Notice updates	95%	Next update 30/4/20
Consent Project	15%	30/4/20
Training project (all staff, all modules)	35%	30/6/20
Heads of Privacy appointment, training and effectiveness	75%	20/12/20
CCTV project	50%	30/3/20
Data management	35%	30/6/20 = 80%
Archiving project	25%	30/4/20
SARs	95%	15/2/20
Breaches	0	N/A
Privacy Policies	75%	28/3/20
Procurement dept additions	100%	01/11/20
World Skills website	70%	30/02/20
DPIAs	65%	30/03/20

One of the main/major additional projects that has been identified to achieve full compliance is data management. The College has a substantial amount of inherited unstructured data that needs to be archived and or erased now or at a later date. SMT, ICT and the Data Protection Officer (DPO) are in the process of identifying Terabytes of data that can be erased or archived over the coming months. Outside of this there are no major non-compliance issues; rather, there are many minor non-compliance issues (minor only in that they are less important or because they are currently being worked on - not ignored or overlooked).

<b>Current Risk Score:</b>		<b>Gross Risk Score (assuming no treatment)</b>	
Likelihood    3/5 Impact        4/5  Risk Score    12/25  RAG Rating: <b>AMBER</b>  Score increased from 8 (Amber) following IA report on Data Protection May 2019.  Target Score: 5		Likelihood    5/5 Impact        5/5  Risk Score 25/25	
<b>Risk Appetite (Willing to accept):</b>		<b>Risk Tolerance (Able to accept):</b>	
<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		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 achieve taught degree awarding powers (TDAP).	
Risk ID: 26	<b>DRAFT</b>
Owned by: DPr/DTDAP	Review Date: Feb 2020

Update
<p>Full Description:</p> <ol style="list-style-type: none"> <li>1. The College fails to achieve status as a recognised body that can award degrees.</li> </ol> <p>Treatment:</p> <ol style="list-style-type: none"> <li>1. A project Board has been established, led by Principal Little, with ELT, HR, Students' Association, and Board member representation. A Director of TDAP has been appointed to report to the Project Board.</li> </ol>
<p><b>Commentary (Update):</b></p> <p>A risk register has been developed for the TDAP project comprising the risk areas outlined below. These areas include the TDAP criteria set out by the Quality Assurance Agency, against which the College's application will be assessed.</p> <p>The risk assessments provided below, with RAG status indicated, reflect the current overall risk evaluation of specific TDAP project risk areas, drawn from the assessment of detailed risks from the TDAP Risk Register.</p> <p>26.1 <u>Communication</u> RED An internal communications approach and plan have yet to be established.</p> <p>26.2 <u>Academic Staffing</u> RED Development of an "Academic Community" are still at early stages. These involve qualities, competencies, and engagement, in pedagogic and professional development.</p> <p>26.3 <u>Administrative Systems</u> AMBER This relates to quality assurance, and the infrastructure to enable the delivery of quality assurance.</p> <p>26.4 <u>Governance/Management</u> TBC The project management approach, currently PRINCE 2, is under review at January</p>

2020.

## 26.5 Quality Assurance

RED/AMBER

The project is at an early stage of establishing comparability of standards with other providers of equivalent level programmes (HE).

## 26.6 Financial

AMBER/GREEN

An updated business case with 10-year financial projections has been prepared and will be presented to the Learning and Teaching Committee (January 2020).

<b>Current Risk Score:</b>	<b>Gross Risk Score (assuming no treatment)</b>
Likelihood tbc/5 Impact tbc/5 Risk Score tbc /25 RAG Rating:  <b>Target Score: 5</b>	Likelihood tbc/5 Impact tbc/5 Risk Score tbc/25
<b>Risk Appetite (Willing to accept):</b>	<b>Risk Tolerance (Able to accept):</b>
Low Medium High	Category: Business Continuity Low 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				