

## Board of Management Development Committee

<b>Date of Meeting</b>	<b>Wednesday 12 October 2022</b>
<b>Paper No.</b>	<b>DC1-F</b>
<b>Agenda Item</b>	<b>5.5</b>
<b>Subject of Paper</b>	<b>Strategic Risk Review</b>
<b>FOISA Status</b>	<b>Disclosable</b>
<b>Primary Contact</b>	<b>Dr Sheila Lodge, Depute Principal &amp; COO</b>
<b>Date of production</b>	<b>4 October 2022</b>
<b>Action</b>	<b>For Discussion and Decision</b>

### 1. Recommendations

The Development Committee is asked:

1. To note the review of strategic risks as relevant to the Committee's remit
2. To review the Risk Scores and Risk Management Action Plans associated with these risks, and recommend for approval by the Board of Management.
3. To review the proposed Risk Score and Risk Management Action Plan for the new Risk 28, and recommend for approval by the Board of Management.

## 4. Purpose of report

- 4.1 The purpose of this report is to provide the Committee with an update on the Senior Management review of strategic organisational risks relating to Growth and Development, via the Risk Management Actions Plans (MAPs) for these risks. Also included is the revised Risk Register.
- 4.2 The current global health and economic emergency places a particular emphasis upon strategic risk management at this time.

## 3. Consultation

3.1 Consultation has been undertaken with the Executive and Senior Managers responsible for the respective strategic risks, as specified within the Risk Register.

## 4. Key Insights

- 4.1 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, and the Board of Management. 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.
- 4.2 In line with recommended good practice as identified by the Internal Audit of Risk Management in 2013/14, each Board Committee has since undertaken a regular review of the strategic risks within its remit.
- 4.3 The strategic risks which most closely relate to the committee's remit (with current risk scores and RAG rating) are:
- Risk 6 - Negative impact upon College reputation. Score remains 12 **AMBER**.
  - Risk 7 - Failure to achieve improved business development performance with stakeholders. Score remains 20 **RED**.
  - Risk 16 - Failure to maximise income via diversification. Score remains 20 **RED**.

- 4.4 The Risk Management Action Plans for Risks 6, 7 and 16 are attached at Appendix 1, and provide more detailed descriptions of the risks, treatments, and commentaries.
- 4.5 In addition, the proposed risk MAP for the new Risk 28, Failure to manage strategic risks associated with City of Glasgow International Ltd, is attached as Appendix 2. This Risk was added to the Risk Register at the request of the Audit & Assurance Committee in March 2022. The proposed Risk Score is 15 **RED**.
- 4.5 In consideration of the current global health emergency, a full review of strategic risks is currently being undertaken, involving senior Risk “owners”. All updated Risk MAPs will be reported to the respective Committees and full Board of Management within the current meeting cycle.

## **5. Impact and implications**

- 5.1 The effective management and control of risks is essential to the on-going stability, sustainability, 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 and legal compliance status.
- 5.2 Several strategic risks are financial in nature, and potentially constitute a threat to the College’s stated Strategic Priority 7: to “Maintain our long-term financial stability”.
- 5.3 Risk 16: “Failure to maximise income via diversification” is directly aligned with Strategic Priority 8: “To secure diversity of income and sustainable development”, so any change to the score of this risk has a particularly high strategic significance.
- 5.4 Regional and sectoral considerations are included in the process of risk management, and are reflected in the risk documentation.

**Appendices:**

**Appendix 1:** Risk Management Action Plans 6, 7, 16.

**Appendix 2:** Proposed Risk Management Action Plan 28

**Appendix 3:** Risk Register 7 September 2022

## Risk Management Action Plan

**Risk Description:** Negative impact upon College reputation

**Risk ID:** 6

**Owned by:** VPCDI

**Review Date:** October 2022

## 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. After successfully launching the College intranet 'My Connect' our communications are increasing becoming more timeous and relevant across the staffing community. In conjunction with staff a new communication framework has been devised and shared with All Manager's to ensure good practice. This fundamentally covers communication with staff and students and contains within the framework, hints & tips and online tutorials. Communications are continually reviewed to ensure that they are relevant, timely and fit for purpose.
2. Our Public Affairs Company (Dram Communications) continue to brief the ELT & Communications team on Government (UK & SG) updates, policy developments and parliamentary business, as well as provide business updates from the City Council and Chamber Business Network.
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.
6. Enhanced promotional activity had taking place however the F/T intake for 2022/23 recruitment was slightly below target. This is due to a number of external factors including increased competition for HE places at University.

### Commentary (Update):

The College continually works on the positioning and promoting the College brand. From this, the College has an excellent reputation based on perception, performance, facilities and quality. This is largely undertaken and overseen by the Corporate Development team, however a wide range of extended college staff also contribute directly to the brand and reputation.

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. Utilising various media monitoring platforms the College continues to monitor its coverage, reputation and positioning within the marketplace on a daily basis.
5. An additional Open Day is planned for 10<sup>th</sup> October 2022 which sees the promotional cycle begin for both our January intake and session 22/23 F/T courses.
6. UCAS and careers events began taking place throughout September 2022 and will continue into November. College staff will attend 'where possible' as many career events as possible

<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: 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 to achieve improved business development performance with stakeholders

Risk ID: 7

Owned by: VPCDI

Review Date: October 2022

## Update

### Full Description:

Loss of/Failure to build effective partnerships/Reputational Risks/Staff Health and Well Being (see Level 2 Risks below).

### Treatment:

Employer relationships and Business engagement are largely managed and supported through the Corporate Development Team and in line with the agreed Business Development Process Map. A recent audit has highlighted the engagement across the College as 'Good' with some enhancement recommendations. These recommendations are now being implemented through the revised Stakeholder Engagement Plan. All Faculty and Directorates have nominated a representative which will map out activity within their respective areas.

Employer and Business engagement is continually reviewed with reference to the College Strategic Plan 2021-30 and the 8 strategic priorities. In line with Strategic Priority 8 the new Corporate Development Strategy will focus planning for:

- Brand Positioning
- Global Ambition
- Innovation & Research
- Workforce Planning
- Industry Academies
- Partnerships & Developments
- City of Glasgow International Limited

### N.B. Associated Level 1 Risks:

- Growth and Development/College Reputation (Risk 6)
- Statutory Compliance Failure (Risk 10)
- Finance/Income Targets (Risk 15)
- Income diversification (Risk 16)

### Commentary (Update):

The Corporate Development team are continuing to work with the Faculties in procuring new business as well as sourcing sustainable and reputable opportunities for additional

non-government income. This is now critical due to the significant financial pressures that the College is facing over the next 2 financial years. The Corporate Development Team have now met with all Faculties to explore the stretching of targets and what additional activity could be achieved. Some of the additional activity will be predicated on underutilised teaching staff, however it is expected that this will be minimal across each Faculty/Departmental area.

Business Development & International activity has performed well against the backdrop of the pandemic, with some areas being surprisingly consistent. However, the drop in mainstream funding and external financial challenges now places more emphasis on a timeous and focused response to new business opportunities.

The Halls of Residence performed well in session 21/22 and welcomed the St Andrews Summer School over the holiday period. Occupancy is currently sitting at 85% within the Riverside block and 88% at St Luke's. It is expected that occupancy across both sites will be over 90% in the coming weeks with the arrival of international students on short term study visas.

The FWDF team have worked tirelessly throughout the session and summer months. As the various years of funding continues to span across the new academic session, the College is awaiting confirmation from the SFC on what the Sector/Region and CoGC's allocation will be for session 22/23. The delay in this announcement is due to the Young Person's Guarantee (YPG) fund being announced at the same time.

The Development Committee have continued to note the progress made across the various Directorates and Faculties. However, the uncertainties caused by the pandemic and the reduction in public sector finances and spending, remain a considerable threat. In contrast though, many of the International territories that the College enjoys a presence within are continuing with plans for contracts and courses. Many of the Government departments and overseas partnerships that the International team have procured will be visiting the College in the coming months to undertake training & study.

Risk score remains at 20 RED.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 4/5 Impact 5/5  Risk Score 20/25  RAG Rating: Decreased to 20 <b>RED</b> score (Audit Committee Nov 2020)  <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: Change and Development Activities  Low <u>Medium</u> High 1 2    3 <u>4</u> 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: October 2022**

### 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:**

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.

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.

**Update:**

The College strategic plan is to grow the proportion of income from Non SFC funding. The Covid-19 pandemic has caused a massive financial impact on the College since the buildings closing on the 17<sup>th</sup> March 2020. The College has the highest proportion of non SFC income and unfortunately these income sources has suffered the greatest reduction from the closure and cancellation of courses.

Appendix 1 shows the College Income & Expenditure performance, the 2020-21 projected underlying operating surplus of £72k is a massive improvement due to additional SFC funding, CJRS (furlough) funding, improved volume of online teaching and cost controls. 2020-21 Commercial and international course income had a

reduction of £0.9m. The other main non SFC income sources adversely affected by the pandemic are student accommodation and catering income. In addition to the dramatic drop in income the majority of the costs to the 31<sup>st</sup> July 2020 continued with the College also fully paying all contracted staff.

The 2021-22 projected underlying operating deficit has increased to £1m from the budget deficit of £740k due to the continuing negative financial impact of the COVID-19 restrictions. International, commercial, student accommodation and catering are all anticipated to experience a slow recovery to pre pandemic levels.

During 2020-21, SFC allocated an additional £445k of FWDF to the College to further support businesses during the pandemic. The training delivery was negatively impacted with our building closure and a high proportion of businesses closed or prioritising tackling Covid-19 business impacts. The COVID impact and additional funding meant a substantial backlog of training to be delivered, £1.1m carried forward at 31<sup>st</sup> July 2021. In 2021-22 the team have secured the full grant allocation and managed to deliver £1.4m of training to employers however there still remains a backlog of training to be delivered, c£0.9m carried forward to 2022-23.

In 2020-21 the College received £1.7m of SFC funding to support and delivery the National Transition Training Fund (NTTF) and Young Person Guarantee (YPG) initiatives. The College also successfully secured additional SFC funding for 2021-22, our allocation was £2.9m (10,000 Credits). The projected Credits highlight that the College will not fully deliver the substantially increased 194,000 Credit target.

The NTTF will not continue into academic year 22/23 with YPG funding being announced beside the Flexible Workforce Development Fund (FWDF). For session 22/23 it is anticipated that the College's FWDF allocation will be the same as previous years (£1.3m) however this has yet to be announced and is expected during October.

As the Committee will be aware, the College is facing an even greater financial challenge in 2022-23 with a SFC funding reduction, staff pay award expectations, high inflation, rapidly increasing utility costs and income still recovering from the impact of COVID. The draft budget for 2022-23 is c £3.4m deficit after incorporating significant mitigation in maximizing income and reducing costs.

The senior management team will continue to proactively monitor, review and encourage staff to deliver income growth and diversification to return to at least a break even financial performance in 2023-24.

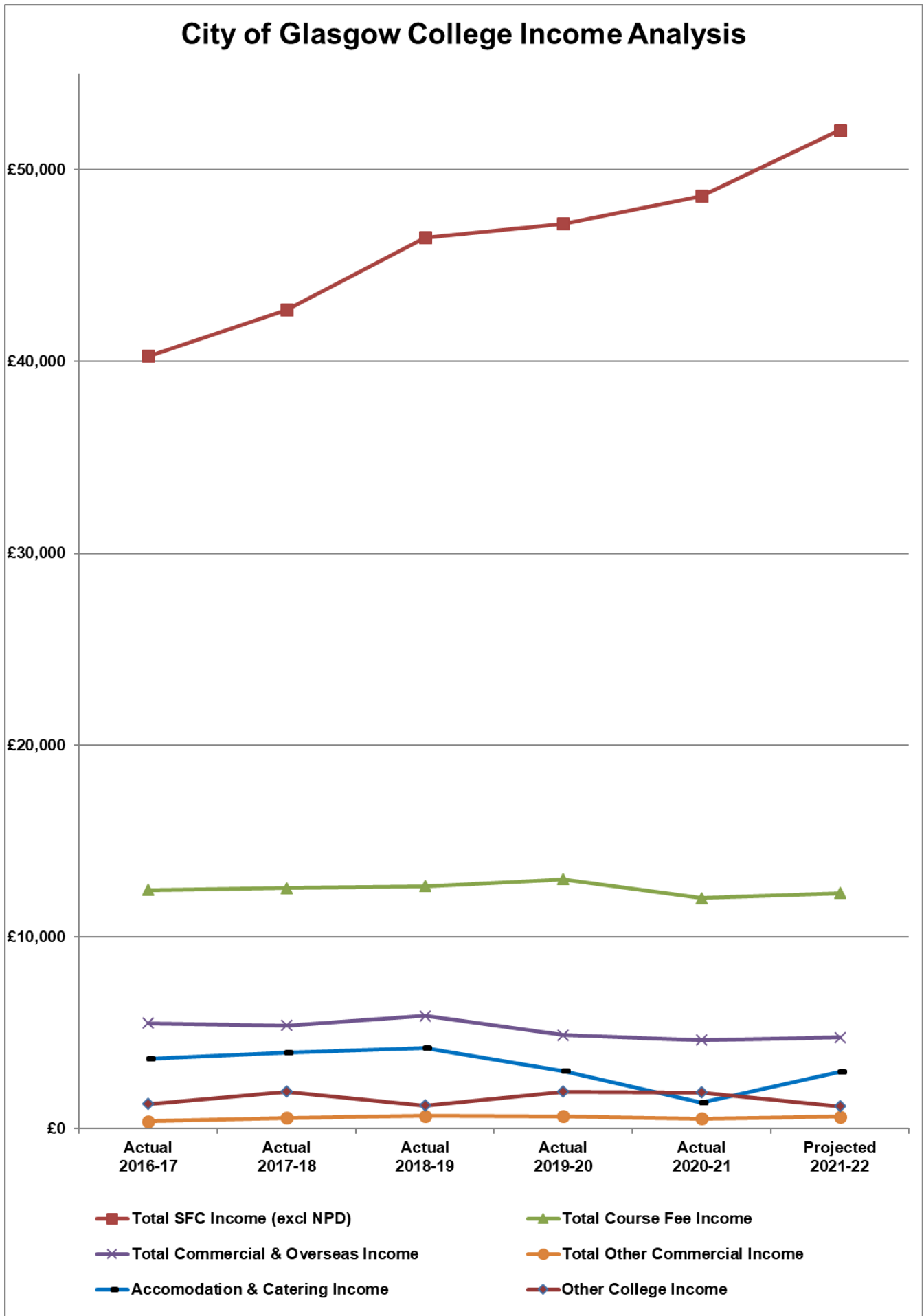
<b>Current Risk Score:</b>	<b>Gross Risk Score (assuming no treatment)</b>
Likelihood 4/5 Impact 5/5 Risk Score 20/25 RAG Rating: <b>RED</b> <b>Target Score: 9</b>	Likelihood 5/5 Impact 4/5 Risk Score 20/25
<b>Risk Appetite (Willing to accept):</b>	<b>Risk Tolerance (Able to accept):</b>
<u>Low</u> Medium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

## Appendix 1

Income	2020/21	2021/22 8 Months			2021/22		
	Actual	Budget	Forecast	Var.	Budget	P9 F'cst	Var.
	£k	£k	£k	£k	£k	£k	£k
Recurrent grant (inc. fee waiver grant)	40,222	25,960	25,960	-	43,012	43,012	-
Flexible Workforce Development Fund	1,047	793	957	164	1,190	1,436	+246
NTTF & YPG	1351	650	1,293	643	975	2,877	+1,902
ESF	2,021	1,035	1,035	-	2,069	2,069	-
Childcare Funds	711	756	364	(392)	1,050	515	(535)
New Campus Glasgow	20,225	13,515	13,520	5	20,273	20,335	+62
Covid Support	1,255	-	-	-	-	-	-
Other	904	1,379	1,228	(151)	2,068	1,306	(762)
Buildings	363	-	-	-	146	146	-
Equipment	753	-	-	-	691	691	-
<b>Total SFC Income</b>	<b>68,852</b>	<b>44,088</b>	<b>44,357</b>	<b>269</b>	<b>71,474</b>	<b>72,387</b>	<b>+913</b>
HE - Home & EU	9,372	6,628	6,011	(617)	9,942	8,799	(1,143)
FE - Home & EU	667	729	717	(12)	1,093	1,093	-
Non-EU	1,574	795	1,483	688	1,193	1,776	+583
Commercial activities	3,040	1,742	1,849	107	2,613	2,982	+369
Educational Contracts	1,985	1,380	1,559	179	2,070	2,387	+317
<b>Total Fees &amp; Education contracts</b>	<b>16,638</b>	<b>11,274</b>	<b>11,619</b>	<b>345</b>	<b>16,911</b>	<b>17,037</b>	<b>+126</b>
Residences	1,223	1,182	1,217	35	1,470	2,044	+574
Catering	136	638	324	(314)	911	911	-
Learning Technology Projects	246	123	82	(41)	111	63	(48)
EU Projects	174	355	336	(19)	407	629	+222
Other Income	857	529	756	227	784	1,103	+319
Job Retention Scheme	824	-	-	-	-	-	-
Staff Secondments	309	-	-	-	-	-	-
College Foundation	-	-	498	498	-	490	+490
<b>Total Other Income</b>	<b>3,769</b>	<b>2,827</b>	<b>3,213</b>	<b>386</b>	<b>3,683</b>	<b>5,240</b>	<b>+1,557</b>
<b>Total Income</b>	<b>89,259</b>	<b>58,189</b>	<b>59,189</b>	<b>1,000</b>	<b>92,068</b>	<b>94,664</b>	<b>+2,596</b>

Expenditure	2020/21	2021/22 8 Months			2021/22		
	Actual	Budget	Forecast	Var.	Budget	P9 F'cst	Var.
	£k	£k	£k	£k	£k	£k	£k
Faculties	38,333	24,678	25,733	1,055	37,915	40,277	+2,362
Support Directorates	15,838	11,477	11,028	(449)	18,349	18,085	(264)
3rd-party staff costs / contractor	251	338	225	(113)	517	517	-
Apprenticeship Levy	188	110	110	-	190	200	+10
Other adjustments & provisions	394	-	-	-	(430)	(430)	-
<b>Total Staff Costs</b>	<b>55,004</b>	<b>36,603</b>	<b>37,096</b>	<b>493</b>	<b>56,541</b>	<b>58,649</b>	<b>+2,108</b>
Property costs - NPD	22,297	14,892	14,894	2	22,374	22,474	+100
Property costs - non-NPD	2,587	2,061	1,760	(301)	2,960	2,731	(229)
Other operating expenses	8,183	6,857	6,530	(327)	10,096	10,976	+880
Depreciation (inc Impairment)	1,116	558	558	-	837	837	-
Other exceptional items (VS etc)	-	-	-	-	-	-	-
<b>Total Other Expenditure</b>	<b>34,183</b>	<b>24,368</b>	<b>23,742</b>	<b>(626)</b>	<b>36,267</b>	<b>37,018</b>	<b>+751</b>
<b>Total Expenditure</b>	<b>89,187</b>	<b>60,971</b>	<b>60,838</b>	<b>(133)</b>	<b>92,808</b>	<b>95,667</b>	<b>+2,859</b>
<b>Total Surplus/(Deficit)</b>	<b>72</b>	<b>(2,782)</b>	<b>(1,649)</b>	<b>1,133</b>	<b>(740)</b>	<b>(1,003)</b>	<b>(263)</b>



## Risk Management Action Plan

### Risk Description:

Failure to achieve business performance – City of Glasgow International Ltd.

Risk ID: 28

Owned by: VPCDI

Review Date: October 2022

## Update

### Full Description:

Loss of/Failure to build effective partnerships/generate revenue through the College subsidiary 'City of Glasgow International Ltd'.

### Treatment:

The College subsidiary, City of Glasgow International Ltd, SCO 671423, began operations on 01<sup>st</sup> August 2022. City of Glasgow International Limited (CGI) has been incorporated as a wholly owned subsidiary of the College to carry out commercial and trading activity. The intention is to use the skills, experience, infrastructure and reputation of the College to operate competitively in the commercial training (and associated activities) space and generate a financial return and ultimately increase the College's income from these activities.

There are a number of potential benefits to the proposed trading subsidiary structure:-

- i. It is likely to be more tax efficient than the College carrying on the activity itself.
- ii. Liabilities and obligations relating to the trading activity will be ring-fenced within CGI, rather than the College being exposed to and potentially liable for these.
- iii. CGI can concentrate entirely on pursuing commercial activity rather than having the dual purpose which might arise from being part of the College. This can help to make its operations more transparent and focused.
- iv. CGI is likely to have more flexibility in terms of its staffing arrangements, decision-making processes and resources. This will allow it to operate in an agile way to react quickly to opportunities, accommodate customers' requirements and adapt to changes in the market.
- v. By operating as a commercial operation, CGI may be able to bring together complimentary skills and services which would not necessarily sit comfortably within the College, but could be run by CGI (for example the proposed retail offering).
- vi. Third party perception. Customers and suppliers may be more comfortable dealing with a purely commercial operator, rather than with the College.
- vii. There may be funding opportunities open to CGI as a commercial entity which are not available to the College.



N.B. Associated Level 1 Risks:

- Growth and Development/College Reputation (Risk 6)
- Statutory Compliance Failure (Risk 10)
- Finance/Income Targets (Risk 15)
- Income diversification (Risk 16)

Commentary (Update):

The first employee, Head of Partnerships & Operations (HPO) took up employment on the 1 August 2022.

It is forecast that CGI will have a slow first quarter as it establishes a range of processes and procedures as a new entity. However, initial approaches have been made to a range of companies including, Shipping Companies, Cadet Management agents and Private Training Companies who are interested in the services provided for Uniforms and Industry appropriate apparel.

The HPO has also arranged for the company to be added onto 2 supplier frameworks and has a range of quotes totalling £94k.

**Current Risk Score:**

Likelihood 3/5  
Impact 5/5

Risk Score 15/25

RAG Rating: 15 (RED)

**Target Score: 5**

**Gross Risk Score  
(assuming no treatment)**

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: Change and Development Activities  Low <u>Medium</u> High 1 2    3 <u>4</u> 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 Register: 7 September 2022**

RISK DETAIL						CURRENT EVALUATION			AIM and PROGRESS			RISK TREATMENT	
Strategic Theme	Risk Name	Board Committee	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	AAC, LTC, PNC, SSEC	1	1	VPSE	1	5	5	25	5	Score decr. 10 to 5: PNC 8/22	Risk 1 MAP	Aug'22
Students	Failure to establish optimal pedagogical model	LTC	2	1	VPSE	1	5	5	20	5		Risk 2 MAP	Jan'22
Students	Failure to achieve good student outcome/progression levels	LTC	3	1	VPSE	2	5	10	15	5		Risk 3 MAP	Feb'22
Students	Failure of the College's Duty of Care to Students	LTC, SSEC	21	1	VPSE	2	5	10	20	4		Risk 21 MAP	Jan'22
Growth and Development	Failure to realise planned benefits of Regionalisation	PNC	4	1	Pr/DP	3	3	9	20	3		Risk 4 MAP	Feb'22
Growth and Development	Negative impact upon College reputation	DC, PNC	6	1	VPDI	3	4	12	25	5		Risk 6 MAP	May'22
Growth and Development	Failure to achieve improved business development performance with stakeholders	AAC, DC, PNC	7	1	VPDI	4	5	20	25	5		Risk 7 MAP	May'22
Growth and Development	Failure to manage strategic risks associated with City of Glasgow International Ltd	DC	28	1	VPDI			tbc			New Risk added AAC 3/22		Mar'22
Growth and Development	Failure to achieve improved performance	PNC	8	1	VPSE/DirE	2	5	10	20			Risk 8 MAP	Feb'21
Growth and Development	Failure to attract, engage, and retain suitable staff	SSEC	9	1	EDHR	2	2	4	20	3		Risk 9 MAP	Aug'22
Growth and Development	Failure to achieve taught degree awarding powers	LTC	26	1	DP	3	4	12	20	3		Risk 26 MAP	May'22
Processes and Performance	Negative impact of statutory compliance failure	AAC, PNC	10	1	CS	2	5	10	20	5		Risk 10 MAP	Feb'22
Processes and Performance	Failure of Compliance with Environmental Social and Governance (ESG) Duties	PNC	29	1	DP/CS			tbc			New Risk added AAC 3/22		Jun'22
Processes and Performance	Failure of Compliance with the General Data Protection Regulations (GDPR)	AAC	24	1	DP	2	4	8	25	5		Risk 24 MAP	May'22
Processes and Performance	Failure of Corporate Governance	AAC, PNC	11	1	Pr/CS	1	5	5	20	5		Risk 11 MAP	Jun'22
Processes and Performance	Failure of Business Continuity	AAC, FPRC, PNC	12	1	VP/CS	3	4	12	25	4		Risk 12 MAP	May'22
Processes and Performance	Failure to manage performance	PNC	13	1	VPSE/DirE	3	4	12	20	4		Risk 13 MAP	Dec'21
Processes and Performance	Negative impact of Industrial Action	SSEC	14	1	EDHR	3	4	12	25	4		Risk 14 MAP	Aug'22
Processes and Performance	Failure of IT system security	FPRC, PNC	25	1	VPCS	2	5	10	25	5		Risk 25 MAP	Aug'22
Finance	Failure to achieve operating surplus via control of costs and achievement of income targets.	AAC, FPRC, PNC	15	1	VPCS	5	5	25	25	4	Score incr. 20 to 25 AAC 09/22	Risk 15 MAP	Jun'22
Finance	Failure to maximise income via diversification	AAC, DC, FPRC, PNC	16	1	VPCS/VPDI	4	5	20	25	5		Risk 16 MAP	May'22
Finance	Failure to obtain funds from College Foundation	FPRC	20	1	VPCS	1	4	4	20	4		Risk 20 MAP	Aug'22
Finance	Negative impact of Brexit	FPRC	22	1	VPCS/DCS	3	3	9	15	5	Score decr. from 12 to 9 AAC 3/22	Risk 22 MAP	Aug'22
Finance	Failure to agree a sustainable model and level of grant funding within Glasgow Region	FPRC	23	1	VPCS	3	4	12	25	5		Risk 23 MAP	Aug'22
Finance	Failure to secure sufficient capital investment	FPRC	30	1	VPCS	4	3	12	20	3		Risk 30 MAP	Aug'22
ALL	Failure to manage acute threats relating to coronavirus outbreak	AAC, FPRC, PNC	27	1	Pr/DP	2	4	8	25	4	Score decr. 12 to 8: PNC 8/22	Risk 27 MAP	Aug'22

- Key:**
- Pr - Principal
  - DP - Depute Principal
  - VPSE - Vice Principal Student Experience
  - VPCS - Vice Principal Corporate Services
  - VPDI - Vice Principal Corporate Development/Innovation
  - CS - College Secretary
  - EDHR - Executive Director of Human Resources
  - DirE - Director of Excellence
  - DCS - Director of Corporate Support
  - AAC - Audit & Assurance Committee
  - FPRC - Finance & Physical Resources Committee
  - LTC - Learning & Teaching Committee
  - SSEC - Students, Staff & Equalities Committee
  - PNC - Performance & Nominations Committee
  - DC - Development 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

Recent (12mth) change

**Trend**

Date	Jun-18	Dec-18	Jun-19	Dec-19	Jun-20	Dec-20	Jun-21	Dec-21	Jun-22	Aug-22
Average Risk Score	9	9	9.43	8.95	11.2	11.3	10.7	10.4	10.8	10.4
Number of RED Risks	2	2	3	1	4	5	4	2	3	3

N.B. Closure of low-scoring risks will have an upward 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)	Low		Medium		High	
	1	2	3	4	5	6