

Board of Management Learning and Teaching Committee

Date of Meeting	Tuesday 3 May 2015
Paper No.	LTC4-B
Agenda Item	4
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Paul Clark, College Secretary/Planning
Date of production	20 April 2016
Action	For Approval

1. Recommendations

1. To note the review of strategic risks as relevant to the Committee's remit
2. To review and approve the Risk Scores and Risk Management Action Plans associated with these risks

2. Purpose of report

2.1 The purpose of this report is to provide the Committee with an update on the Senior Management review of strategic organisational risks relating to the Committee's remit, via the Risk Management Actions Plans (MAPs) for these risks. Also included is the updated Risk Matrix and Risk Register.

3. Context

3.1 Risk Management is a key component of the College's internal control and governance arrangements, and as such is an important responsibility of the Senior Management Team, 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.

3.2 In line with recommended good practice as identified by the Internal Audit of Risk Management in 2013/14, each Board Committee undertakes a regular review of the strategic risks within its remit.

3.3 The strategic risks which most closely relate to the committee's specific remit (with current risk scores and RAG rating) are:

Risk 1 - Failure to support student success (Score 6, Amber)

Risk 2 - Failure to establish optimal pedagogical model (Score 6, Amber)

Risk 3 - Failure to achieve good student outcome/progression levels (6, Amber)

Risk 18 - Failure to agree with SFC a transition plan to deliver 210,000 wSums (9, Red).

3.4 The Risk Management Action Plans for the above risks are attached at Appendix 1, and provide more detailed descriptions of the risks, treatments, and commentaries.

3.5 A full review of strategic risks was conducted in February 2016, involving senior Risk "owners", and all Risk MAPs were updated accordingly. The next full review will be undertaken in May 2016 for presentation to the Audit Committee on May 25th 2016.

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 and legal compliance status.

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

Appendices:

Appendix 1: Risk Matrix and Risk Register

Appendix 2: Risk Management Action Plans

Strategic Risk Assessment Matrix: 24 February 2016

	Low Impact 1	Medium Impact 2	High Impact 3
Low Likelihood 1			5. Failure to achieve New Campus objectives 8. Failure to achieve improved performance 10. Negative impact of statutory compliance failure 11. Failure of Corporate Governance 20. Failure to obtain funds from College Foundation 21. Failure of duty of care to students
	1	2	3
Medium Likelihood 2		9. Failure to recruit, retain, and develop suitable staff 13. Failure to manage performance	1. Failure to support student success 2. Failure to establish optimal pedagogic model 3. Failure to achieve satisfactory student outcome/progression levels 4. Failure to realise planned benefits of Regionalisation 6. Negative impact upon College reputation 7. Failure to achieve improved business development performance with stakeholders 12. Failure of Business Continuity 14. Failure to manage Industrial Relations 16. Failure to maximise income via diversification 19. Impact of ONS reclassification of the status of colleges
	2	4	6
High Likelihood 3		17. Negative impact of funding methodology within Glasgow Region	15. Failure to achieve operating surplus via control of costs and achievement of income targets. 18. Failure to agree with SFC a transition plan to deliver 210,000 wSUMs
	3	6	9

Risk Register: 05 April 2016

RISK DETAIL					CURRENT EVALUATION OF RISK*			AIM and PROGRESS		RISK TREATMENT ACTIONS AND UPDATE	
Strategic Theme	Risk Name	Risk ID	Level	Risk Owner	Likelihood	Impact	Risk Score	Target Risk Score	Risk Movement	Hyperlink to Risk Management Action Plan (MAP)	Date of last review
Students	Failure to support student success	1	1	DPr/FDs	2	3	6	3	0	Risk 1 MAP.docx	Feb '16
Students	Failure to establish optimal pedagogical model	2	1	DrP/FDs	2	3	6	3	0	Risk 2 MAP.docx	Feb '16
Students	Failure to achieve good student outcome/progression levels	3	1	DPr/FDs	2	3	6	3	0	Risk 3 MAP.docx	Feb '16
Students	Failure of the College's Duty of Care to Students	21	1	DPr/FDs	1	3	3	3	new risk	Risk 21 MAP.docx	Feb '16
Growth and Development	Failure to realise planned benefits of Regionalisation	4	1	Pr/DPr	2	3	6	3	0	Risk 4 MAP.docx	Feb '16
Growth and Development	Failure to achieve New Campus objectives	5	1	VP-NCSD	1	3	3	3	0	Risk 5 MAP.docx	Feb '16
Growth and Development	Negative impact upon College reputation	6	1	DPr/DCD	2	3	6	3	from 3 to 6	Risk 6 MAP.docx	Feb '16
Growth and Development	Failure to achieve improved business development performance with stakeholders	7	1	DPr/DCD	2	3	6	3	0	Risk 7 MAP.docx	Apr '16
Growth and Development	Failure to achieve improved performance	8	1	DPr	1	3	3	3	0	Risk 8 MAP.docx	Feb '16
Growth and Development	Failure to recruit, retain, and develop suitable staff	9	1	DPr/EDPC	2	2	4	2	0	Risk 9 MAP.docx	Feb '16
Processes and Performance	Negative impact of statutory compliance failure	10	1	SMT	1	3	3	2	0	Risk 10 MAP.docx	Feb '16
Processes and Performance	Failure of Corporate Governance	11	1	DPr/CSP	1	3	3	3	0	Risk 11 MAP.docx	Feb '16
Processes and Performance	Failure of Business Continuity	12	1	Pr/CSP	2	3	6	3	0	Risk 12 MAP.docx	Feb '16
Processes and Performance	Failure to manage performance	13	1	DPr	2	2	4	2	0	Risk 13 MAP.docx	Feb '16
Processes and Performance	Failure to manage Industrial Relations	14	1	DPr/EDPC	2	3	6	3	Consider change: 6 to 9	Risk 14 MAP.docx	Feb '16
Finance	Failure to achieve operating surplus via control of costs and achievement of income targets.	15	1	EDF	3	3	9	6	0	Risk 15 MAP.docx	Feb '16
Finance	Failure to maximise income via diversification	16	1	DPr	2	3	6	3	0	Risk 16 MAP.docx	Feb '16
Finance	Negative impact of funding methodology within Glasgow Region	17	1	EDF	3	2	6	2	0	Risk 17 MAP.docx	Feb '16
Finance	Failure to agree with SFC a transition plan to deliver 210,000 wSums	18	1	Pr/DPr	3	3	9	3	0	Risk 18 MAP.docx	Feb '16
Finance	Impact of ONS reclassification of the status of colleges	19	1	EDF	2	3	6	3	0	Risk 19 MAP.docx	Feb '16
Finance	Failure to obtain funds from College Foundation	20	1	EDF	1	3	3	3	0	Risk 20 MAP.docx	Feb '16

Change to 5x5 matrix

Recent movement or change

Key:

- Pr - Principal
- DPr - Depute Principal
- VP-NCSD - Vice Principal New Campus & Student Devt.
- EDPC - Executive Director People and Culture
- EDF - Executive Director Finance
- FD - Faculty Director
- DCP - Director Corporate Development
- CSP - College Secretary/Planning

Risk Management Action Plan

Risk Description: Failure to support student success

Risk ID: 1

Owned by: DepPr/FD

Review Date: February 2016

Update

Full Description:

Risk that -
Students leave the College without completing course. Students fail to achieve qualification. Students have a poor experience at the College. College suffers negative financial impact, reputational damage, and potential negative impact upon student recruitment.

Treatment:

Performance Reviews; Self-evaluation/Quality cycle; Curriculum Planning (incl. focus upon PIs); Learning and Teaching Strategy.









Commentary (Update):

Education Scotland Review completed January 2016. Overall a highly positive response reflects the upward trend in student attainment. Formal report to follow (March) and will be submitted to the Learning and Teaching Committee.

Learning and Teaching Strategy in place and currently under review within the regional context - including City Learning (formerly New Campus New Learning and Industry Academy initiatives). City Learning is now embedded in all Operational Plans at Curriculum Head and Faculty level.

Curriculum planning process established, including criteria for course discontinuation to ensure courses meet student/industry demand, College strategic priorities, and financial viability.

Confirmed student success results for 2014-15 show a continuing upward trend in full-time HE and FE as well as part-time FE, and in all modes from 2012-13:

Level	Mode	Completed Successfully				Change	
		12-13	13-14	14-15 Target	14-15	13-14 to 14-15	12-13 to 14-15
FT	FE	60%	70%	72%	72%	+ 2% 	+12% 
FT	HE	70%	74%	77%	76%	+ 2% 	+6% 
PT	FE	68%	75%		76%	+ 1% 	+8% 
PT	HE	76%	84%		82%	- 2% 	+6% 

In June 2015, an analysis of curriculum performance trends since merger was undertaken, to inform the shaping of the curriculum portfolio for AY 2016-17.

Change to Risk Score: Remains at 6 (Amber)	Gross Risk Score (assuming no mitigation): 9	Risk Appetite (Willing to accept): <u>Low</u> Medium High
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Risk Management Action Plan

Risk Description: Failure to establish optimal pedagogical model

Risk ID: 2

Owned by: DepPr/FD

Review Date: February 2016

Update

Full Description:

Risk that learning and teaching approaches fail to meet the needs of learners and other stakeholders (inc. employers) in the context of the new campus.

Treatment:

Curriculum Review and Development processes. Learning and Teaching Strategy (incl. NCNL/Industry Academies). Faculty Operational Planning.

Commentary (Update):

The Regional Curriculum and Estates Review process has been completed and now operational, supporting key government priorities. Annual Curriculum Plans being developed in partnership with Glasgow colleges in alignment with the Regional Outcome Agreement. The College has Corporate Development and Learning and Teaching Strategies under further development and review.

Regional Curriculum Development now geared towards Government economic sector priorities, which City Learning supports. City Learning has been embedded within Faculty Operational Plans.

Education Scotland full Review completed in January 2016 (ref. commentary at Risk MAP 1).

The Industry Academy model has been shared at regional level, and joint IA initiatives are currently under consideration, in particular with regard to STEM delivery via an IA model. 24 Industry Academies were operational in 2014-15, exceeding the target of 18, now under review within the Performance Review process.

Change to Risk Score:

Risk Score remains 6
(Amber)

Gross Risk Score
(assuming no mitigation):

9

Risk Appetite
(Willing to accept):

Low Medium High

Risk Management Action Plan

Risk Description: Failure to achieve good student outcome/progression levels

Risk ID: 3

Owned by: DepPr/FD

Review Date: February 2016

Update

Full Description:

Failure of curriculum to be industry relevant. Ineffective links with industry. Ineffective HEI articulation arrangements.

Treatment:

CADMs well established. All Schools are developing links with industry to ensure industry relevant curriculum. Ongoing collaboration with HEIs to maintain and develop articulation links.

Learning and Teaching Strategy emphasises need for employability, industry relevant curriculum, and industry links (NCNL, Industry Academies)

Commentary (Update):

The College has participated in the pilot to develop an ongoing College Learner Destination Survey led by SFC.

Data is collected from students to determine satisfaction with suitability of course with regard to preparation for work (Learning & Teaching questionnaire), and Exit student questionnaire.

A revised single tier Performance Review process is now in place to monitor student outcomes and progression. Review reflects CADM reportage and "Finger on the Pulse" feedback.

Change to Risk Score:

Risk Score remains 6 (Amber)

Gross Risk Score (assuming no mitigation):

9

Risk Appetite (Willing to accept):

Low Medium High

Risk Management Action Plan

Risk Description:

Failure to agree with SFC a transition plan to deliver 210,000 WSUMs

Risk ID: 18

Owned by: Pr/DPr

Review Date: February 2016

Update

Full Description and Treatment:

Context:

In 2012, SFC had confirmed their commitment to 210,000 wSUMs in a DP3a approval letter from the Chief Executive M.Batho (15th November 2012).

Constructive discussions took place with increased urgency in to February 2015 with the Scottish Government, SFC, GCRB, and the three College Boards to agree a Curriculum and Estates Strategy for Glasgow, and in doing so, ensure that the City of Glasgow College receives the equivalent of 210,000 wSUMs within an agreed timeframe. (Now referred to as 180,000+ Credits).

Commentary (Update):

The Funding Council has consistently maintained its commitment to the question of ensuring that CoGC will deliver 210,000 wSUMs (180,000+ Credits). Growth of CoGC delivery and transfer of SUMs from both Glasgow Kelvin and Glasgow Clyde colleges, and efficiency savings by CoGC, has been agreed (Feb 2015). This involves the closure of Glasgow Kelvin City Campus, efficiency gains by CoGC, and interim financial support from SFC to address the funding shortfall for CoGC to 2018/19.

Within the Regional Outcome Agreement and agreed Curriculum and Estates Plan for the Glasgow Region, it is now clear that there will be a transitional move of WSUMs from Kelvin and Clyde Colleges and additional growth to ensure that the 210k WSUMs (180,000+ Credits) target for CoGC is achieved.

Following the transfer of Trade Union Studies in 2015-16 to GoGC, discussion around further staff transfers is currently taking place (as at Oct 2015). Although the annual total volume of funded activity has been agreed the value of the funding is still subject to annual negotiation.

The status of this risk was moved to RED following a discussion about this risk at the June 2013 meeting of the Audit Committee. Consideration was given to reducing the risk score to 6 (AMBER) in the light of the above progress at the Audit Committee meeting in March 2015. However it was decided to retain the current score at 9 (RED).

<p>Change to Risk Score: Amber to Red (June 2013) Audit Committee decided to maintain Risk Score at 9 RED (4 March 2015)</p>	<p>Gross Risk Score (assuming no mitigation):</p> <p style="text-align: center;">9</p>	<p>Risk Appetite (Willing to accept):</p> <p><u>Low</u> Medium High</p>
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