

Board of Management

Date of Meeting	Wednesday 12 February 2020
Paper No.	BoM4-B
Agenda Item	3.2
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Paul Clark, College Secretary/Planning
Date of production	5 February 2020
Action	For Approval

1. Recommendations

1. To review and approve the College Risk Register.

2. Purpose of report

2.1 The purpose of this report is to enable a review of the College Risk Register, and provide the Board with an update on significant changes.

3. Context

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

3.2 A full review of strategic risks is currently underway (Jan/Feb 2020) involving senior Risk "owners", senior managers as appropriate, and Board Committees. All Risk MAPs are being updated accordingly and reported to the respective Board Committees.

3.. There are no significant changes to Risk MAPs nor scores at this point in the current review. A trend analysis of overall risk scores, illustrated on the Risk Register (the table below the Register itself) indicates a reduction of average risk score from June 2019 of 9.43 to 8.95 (currently unchanged).

4. Impact and implications

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

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

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

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

Appendices:

Appendix 1: Risk Register

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

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

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

Note comment

Trend	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	