

Board of Management: Audit and Assurance Committee

Date of Meeting	Wednesday 13 May 2020
Paper No.	AAC4-B
Agenda Item	5.1
Subject of Paper	Strategic Risk Review v2
FOISA Status	Disclosable
Primary Contact	Paul Clark, College Secretary/Planning
Date of production	11 May 2020
Action	For Discussion and Decision

1. Recommendations

1.1 To consider the review of high-scoring (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 27 (re Covid-19 Emergency).

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 May 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 27: "Failure to manage acute threats relating to coronavirus outbreak" which includes a number of immediate and short-term risks . 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") 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 7 Failure to achieve improved business development performance with stakeholders
Business Development forecasts for 2019-20 are now unable to achieve target. **Development Committee agreed increase in Risk score to 5x5=25 RED.**
- 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. 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.

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. **Board agreed increase to 5x4=20 RED (March 2020)**

- 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). **Current recommendation is to increase Risk to 5x5=25 RED**

Risk 16 – Failure to maximize income via diversification. This risk is severely impacted by the coronavirus crisis, with commercial and international income curtailed. 2019-20 targets will therefore be missed by considerable margins with commensurate negative impact on the College’s financial position. **Score increased to 5x5=25 RED.**

Risk 27: “Failure to manage acute threats relating to coronavirus outbreak”; Commentaries across various aspects of College responsibility and concern are represented in this risk, which highlights key issues and priority threats in the face of the current crisis. Risk Score to be confirmed.

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”. Note that this key Risk is now rated at top score 25 (RED)

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: 7 May 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	Apr'20
Students	Failure to establish optimal pedagogical model	2	1	VPSE	1	5	5	20	5		Risk 2 MAP.docx	Apr'20
Students	Failure to achieve good student outcome/progression levels	3	1	VPSE	2	5	10	15	5		Risk 3 MAP.docx	Apr'20
Students	Failure of the College's Duty of Care to Students	21	1	VPSE	1	5	5	20	4		Risk 21 MAP.docx	Apr '20
Growth and Development	Failure to realise planned benefits of Regionalisation	4	1	Pr/DPr	3	3	9	20	3		Risk 4 MAP.docx	Feb '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	Apr '20
Growth and Development	Failure to achieve improved business development performance with stakeholders	7	1	VPCDI	5	5	25	25	5	Amber to RED DC 4/20	Risk 7 MAP.docx	Apr '20
Growth and Development	Failure to achieve improved performance	8	1	VPSE/Dir P	2	5	10	20	5		Risk 8 MAP.docx	Mar'20
Growth and Development	Failure to attract, engage, and retain suitable staff	9	1	VPCS	2	2	4	20	3		Risk 9 MAP.docx	May'20
Growth and Development	Failure to achieve taught degree awarding powers	26	1	VPCS	3	4	12	20	3	New Risk (AC 02/20) score tbc	Risk 9 MAP.docx	Apr'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	May'20
Processes and Performance	Failure of Compliance with the General Data Protection Regulations (GDPR)	24	1	DPr	3	4	12	25	5		Risk 24 MAP.docx	Jan'20
Processes and Performance	Failure of Corporate Governance	11	1	Pr/CSP	1	5	5	20	5	Monitor IA actions AC 11/19	Risk 11 MAP.docx	May'20
Processes and Performance	Failure of Business Continuity	12	1	VPCS/CSP	5	4	20	25	4	Score incr. 10 to 20: BoM 03.20	Risk 12 MAP.docx	May'20
Processes and Performance	Failure to manage performance	13	1	VPSE/Dir P	1	4	4	20	4		Risk 13 MAP.docx	Mar'20
Processes and Performance	Negative impact of Industrial Action	14	1	VPCS	3	4	12	25	4		Risk 14 MAP.docx	May '20
Processes and Performance	Failure of IT system security	25	1	VPCS	2	5	10	25	5	Score decr. 15 to 10: FPRC 10/19	Risk 25 MAP.docx	Feb'20
Finance	Failure to achieve operating surplus via control of costs and achievement of income targets.	15	1	VPCS	5	5	25	25	4	Score incr. 9 to 25 AC 05/20	Risk 15 MAP.docx	Feb'20
Finance	Failure to maximise income via diversification	16	1	VPCS/VPCDI	5	5	25	25	5	Amber to RED DC 4/20	Risk 16 MAP.docx	Apr'20
Finance	Failure to obtain funds from College Foundation	20	1	VPCS	1	4	4	20	4		Risk 20 MAP.docx	Feb'20
Finance	Negative impact of Brexit	22	1	VPCS/DCS	5	2	10	tbc	5		Risk 22 MAP.docx	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		Risk 23 MAP.docx	Feb'20
ALL	Failure to manage acute threats relating to coronavirus outbreak	27	1	Pr/DPr	tbc	tbc	tbc	25	5	New Risk		May '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

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

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: April 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 is continually reviewing the operational elements and structure and roles of the team to ensure that there is a maintained and relevant voice and promotion across our social media platforms.
2. A new Public Affairs company (Dram Communications) has been procured and have recently been assisting the team with public affairs communications that the college requires at this time.
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 using Vuelio, who were awarded the contract in 2019.
5. Ongoing press/media activity relating to the College's response to Covid-19 is taking priority at this time.

6. Positive press coverage relating to a range of staff and student led activity is continuing each week.

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.

March 2020: College campuses closed.

Further commentary to follow.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 5/5 Risk Score 15/25 RAG Rating: RED Target Score: 5	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
Low Medium High	Category: Reputation 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				

Risk Management Action Plan

Risk Description:

Failure to achieve improved business development performance with stakeholders

Risk ID: 7

Owned by: VPCDI

Review Date: April 2020

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 managed as detailed in the Corporate Development Plan and in line with the agreed Business Development Process Map to ensure relevant and timely communications. The Plan has been reviewed with reference to the College Strategic Plan 2017-25 and the 8 strategic priorities. In line with Strategic Priority 8 the additional strategic planning documents are now required for:

- International/Global reach
- Commercial & Business Development
- Sponsorship and Influence
- Corporate Communications

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 documents indicated above will come to the Board as part of the refreshed Corporate Development Strategy, relating to delivery of the new College Strategic Plan 2020-2030. This strategy is being continually developed to feature the additional and associated initiatives as well as the new challenges the college faces within the current economic climate.

The Corporate Development team continue to work with the Faculties in procuring new business as well as sourcing sustainable and reputable opportunities for additional non-government income.

March 2020: College campuses closed.

Business Development forecasts for 2019-20 are now unable to achieve target. The Development Committee now receives a fuller context for commercial and international development initiatives as (noted at April 2019) and are detailed in each of the associated papers.

At April 28 2020, a review of the death rates in countries with which the College has development partnerships and interests indicate that the outbreak has had a significantly lesser impact in terms of recorded deaths i.e.:

Indonesia 765
 Vietnam 0
 Sri Lanka 7
 Malaysia 99
 Bangladesh 152
 Pakistan 292
 Philippines 511
 UAE 76
 Singapore 12
 India 886

(Ref. Johns Hopkins Univ. Coronavirus Resource Centre).

The implications are that partners in these countries may be looking to progress partnership activity sooner than is currently anticipated.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 5/5 Impact 5/5 Risk Score 25/25 RAG Rating: Increased to 25 RED score (Devt Committee April 2020) Target Score: 5	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: 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: Negative impact of statutory compliance failure

Risk ID: 10

Owned by: CSP/DCS

Review Date: May 2020

Update

Full Description:

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.

Detailed risks:

1. Breach of Equalities legislation upheld by Tribunal (e.g. successful discrimination claim)
2. Equal pay challenge
3. Unfair dismissal claims (including whistleblowing)
4. FOISA - appeal to Scottish Information Commissioner upheld
5. Serious breach of the Data Protection Act 1998, European Union General Data Protection Regulation (GDPR), and/or UK Data Protection Act, 2018 (DPA).
6. Employment Tribunal appeal upheld
7. Safeguarding /PVG failure
8. Contravention of Bribery Act 2010
9. Conviction for breach of the Corporate Manslaughter and Corporate Homicide Act 2007
10. Conviction for Breach of H & S legislation
11. Breach of procurement legislation upheld
12. Failure of compliance with Equality Act 2010: Specific Duties
13. Loss of UKVI Highly Trusted Status (Now referred to as Tier 4 provider).
14. Failure to comply with Counter Terrorist and Security Act 2005 and "Prevent" legislative requirements
15. Failure to comply with the Children and Young People (Scotland) Act 2014 (Corporate Parenting)
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.
17. Failure to comply with public sector website accessibility standards [ref. Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.]

Treatment:

1. Train staff, including managers in operation of college policies & procedures, including legal requirements; Incorporate in all Balanced Scorecards re: responsibility for D&E
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.

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’](#) ¹:
 - The College Website
 - LibWeb
 - CitySA
 - Connected
 - MyCity

¹ <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)

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.

May 2020

Under the pressures of the coronavirus crisis, there is a specific focus upon the College’s compliances, at a point when significant strategic and operational decisions are being made. At this point the College’s compliance failure status has not been impacted upon.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 2/5 Impact 5/5	Likelihood 5/5 Impact 5/5
Risk Score 10/25	Risk Score 25/25
RAG Rating: AMBER	
Target Score: 5	

Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Compliance/ Reputation <u>Low</u> Medium High 1 2 3 4 5 6

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

Risk Management Action Plan

Risk Description: Failure of Corporate Governance

Risk ID: 11

Owned by: Pr/College Secretary

Review Date: May 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.

May 2020

A new Assurance Framework has been approved by the Audit Committee, for completion by ELT.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 1/5 Impact 5/5 Risk Score 5/25 RAG Rating: GREEN Target Score: 5	Likelihood 5/5 Impact 5/5 Risk Score 25/25

Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Reputation/ 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

Risk Management Action Plan

Risk Description: Failure of Business Continuity

Risk ID: 12

Owned by: VPCS/CSP

Review Date: May 2020

Update

Full Description:

1. Severe Fire/Flood
2. Terrorist attack
3. IT Systems Failure (incl Cybercrime) - See Risk MAP 25.
4. Other emergency circumstances resulting in main service failure, and threatening the operation of the College as described in Incident Management Plan (Business Continuity) v4.3.
5. Impact of Coronavirus Covid-19 outbreak (2020)

Treatment:

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

Commentary (Updates):

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

responsible for repurposing space disrupted by systems failure. The College remains responsible for re scheduling of activity affected by disruption.

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

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

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

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

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

Incident Reports

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

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

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

3. On Wednesday 22 November 2017, there was a temporary loss of electrical supply

at Riverside Campus, due to an external power outage. There were no injuries, and no requirement for the emergency services. As a consequence, the operation of lifts management was reviewed, and FES staff training for release of lifts was implemented.

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

Strategic Review of Business Continuity Management: 2018 Report

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

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

The report stated that:

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

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

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

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

November 2018

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

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

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

January 2019

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

February 2019

Ashton Resilience to undertake Business Impact Analyses for each faculty and service area, followed by development of Business Recovery Plans (BRPs) for each. Once BRPs are in place, a scenario-based exercise will be conducted, 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).

February/March 2020

SMT is monitoring closely government and NHS advice with regard to the Coronavirus Covid-19 outbreak, including a stop to international travel and only essential travel to other UK locations. An all staff email has been circulated (26 Feb.) including guidance on infection prevention and control, and key infection prevention and control messages. Specifically staff have been advised of the symptoms of Covid-19, and reminded of the NHS advice to self-isolate and contact NHS24 for medical advice where such symptoms are shown.

Wed. 11 March 2020

The Covid-19 Advisory Group is currently meeting daily, chaired by the Depute Principal, and has so far considered a wide range of precautionary and business continuity issues. Plans are being made for a reasonable worst-case scenario. BRP owners have been asked to review their plans with reference to the possibility of closure of College buildings, and the continuance of key functions, including student support and delivery of L&T utilising alternative methods and technology. Various scenarios are

being considered, including, for example, the “lockdown” of student residences with several hundred students required to stay in the Halls for a number of weeks. Actions to manage such scenarios have been agreed.

Advisory notes are sent out to all staff. A FAQ page is being prepared (separately for staff and students) to include guidance on self-isolation etc. Guides for the use of online learning tools and facilities are being tested by the Depute Principal, with VPSE/Deans/J Wilson (Head of Digital Skills).

Consideration is being given to the College’s responsibility to the greater community, to ensure that decisions are made to help contain and delay the extent/peak of the outbreak. The Principal has emphasised the duty of care of the senior team for the College community, and the need to provide practical and supportive leadership to sustain confidence and morale.

The full Board discussed this Risk MAP on 11/3/20, and assessed both likelihood and impact scores. The Board took account of the status of the outbreak via latest reports and guidance, and the steps taken by SMT/Covid-19 Advisory Group in terms of scenario planning and actions. As a result, the Board agreed a revised Risk Score of 5 (likelihood) and 4 (Impact) = 20 (RED)

May 2020

The Board and SMT have overseen a migration to remote working, learning and teaching, and all College operations, following closure of the College buildings on 17th March. Recently reviewed business recovery planning, in place at the time of building closure, was beneficial in this migration process. Continued business continuity issues relate to the financial impact of the crisis.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 5/5 (change from 2, as below) Impact 4/5 (change from 5, as below) Risk Score 20/25 RAG Rating: RED Increased from 10 (AMBER) to 20 (RED) following consideration of coronavirus (Covid-19) pandemic, and preparations undertaken by SMT/Covid-19 Advisory Group. (Board of Management, 11/3/20) Target Score: 5	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: 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: May 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 31st March and an underlying operating surplus annually at 31st 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 31st 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 the impact of COVID-19, the building closure and cancelled or delayed courses unfortunately the current updated financial projection for 2019-20 now shows an underlying operating deficit of £4m. The projected deficit excludes the potential funding from the Government Coronavirus Job Retention Scheme which may be up to £1m to the end of June 2020. The most significant impact were substantial reductions in SFC ESF & FWDF funding, commercial & international course income and catering & student accommodation income. There is an anticipated challenge in 2020/21 to return these income sources to their previous levels or replaced by other income sources.

The key risks are;

Income: SFC Funding

- Failure to achieve future Credit target.
- Delays in delivering FWDF activity
- GCRB teaching grant allocation to the College not sufficient to meet increased costs.
- Future reduction in SFC ESF funding.
- Future SFC regional funding not sufficient to meet increased costs.
- 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 25** based on the current 2019/20 projections, associated financial risks and the anticipated continuing negative impact on income during 2020/21..

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

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

CITY OF GLASGOW COLLEGE INCOME AND EXPENDITURE ACCOUNT				
	2019/20	2019/20	2019/20	2019/20
	Change	F'Cast	F'Cast	Budget
	£000s	Live £000s	Feb'20 £000s	£000s
Income				
SFC Teaching Grants	0	39,365	39,365	38,778
SFC ESF	(818)	1,520	2,338	2,386
SFC FWDF	(297)	593	890	890
SFC Other	0	24,862	24,862	24,913
Fundable tuition fees	(709)	10,034	10,743	11,036
International & commercial tuition fees	(2,371)	5,355	7,726	7,992
Other income	(218)	602	820	776
Catering & Student Accommodation	(1,401)	3,032	4,433	4,433
EU & International projects	(712)	1,031	1,743	1,002
Grant from Foundation	0	315	315	1,000
Investment income	(5)	10	15	25
Total income	(6,531)	86,719	93,250	93,231
Expenditure				
Staff Costs	(539)	53,125	53,664	52,898
Other operating expenses	(1,281)	12,020	13,301	13,073
Property Costs	(746)	16,906	17,652	17,772
Exam Fees	(52)	1,269	1,321	1,321
Depreciation	0	8,766	8,766	8,377
Total expenditure	(2,618)	92,086	94,704	93,441
Operating Surplus (Deficit)	(3,913)	(5,367)	(1,454)	(210)
(Loss) on sale of fixed asset	0	0	0	0
Operating Surplus/(Deficit) after loss sale of asset	(3,913)	(5,367)	(1,454)	(210)
Difference between historical cost deprn & the actual charge for the period	0	677	677	188
Historical cost Surplus / (Deficit) for the period	(3,913)	(4,690)	(777)	(22)
Pension Adjustments	0	0	0	0
Foundation Adjustments	0	(315)	(315)	(1,000)
NPD Balance Sheet debt	0	(4,700)	(4,700)	(4,700)
Revaluation reserve	0	(677)	(677)	(188)
Depreciation - Net of deferred Grant	0	6,371	6,371	5,927
Underlying Operating Surplus / (Deficit)	(3,913)	(4,011)	(98)	17

Risk Management Action Plan

Risk Description: Failure to maximise income via diversification

Risk ID: 16

Owned by: VPCS/ VPCDI

Review Date: April 2020

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. This is now reflected within the new Corporate Development Strategy as well as Financial and Operational Plans. Income generation from Industry Academies included in Faculty planning.

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

Update:

The College strategic plan is to 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 17th March 2020. Appendix 1 highlights the current projected underlying operating deficit of £4m. 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. Commercial course income has an estimated reduction of £1.5m and international course income by £1.2m. In addition to the dramatic drop in income the majority of the costs to the 31st July 2020 are still being incurred and we are continuing to fully pay all contracted staff. The College is projected a significant loss at the 31st July 2020 with Non SFC income falling by £5.4m.

The Corporate Development Team and Faculties were on target to fully deliver the full £894k FWDF SFC Grant allocation. This income has also been negatively impacted with our building closure and a high proportion of businesses closed or prioritising

tackling Covid-19, there will be very limited training delivered up to 31st July 2020. SFC have confirmed we can only claim funding for training delivered up to 31st July 2020. The projected income for 2019/20 has been reduced by £297k.

The College is currently working on the draft budget for 2020/21 and the current assumption for commercial & international course income generation is to only reach 50% of the previous projected levels. This would mean a £4m reduction in this budget compared to the 2019/20 original budget. Although we are still working on the 2020/21 budget, it is high likely the continued substantially lower income will cause a significant loss.

The changed context and massive reduction in commercial & international course income generation the risk score is suggested to be **increased to 25**.

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

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

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Underlying Operating Surplus / (Deficit)	(3,913)	(4,011)	(98)	17

Student Recruitment Plan 2019-20

Faculty	Sum of Fundable Fees Target 19/20	Sum of Fundable Course Fees Proj 19/20	Sum of Commercial Fees Target 19/20	Sum of Commercial Fees Proj 19/20	Sum of Overseas Fees Target 19/20	Sum of Overseas Fees Proj 19/20	Other Non SFC Fundable Course Income Target 19/20	Other Non SFC Fundable Course Income Proj 19/20	Sum of TOTAL Tuition Fees Target 19/20	Sum of Total Tuition Fees Proj 19/20
C - Creative Industries	£3,545,960	£3,342,640	£71,212	£82,708	£0	£14,412	£112,334	£127,094	£3,729,506	£3,566,854
E - Education and Humanities	£3,215,258	£2,602,706	£626,053	£330,108	£7,480	£31,296	£814,911	£923,726	£4,663,703	£3,887,836
H - Hospitality and Leisure	£2,093,804	£2,070,829	£33,645	£25,452	£13,400	£13,454	£403,522	£363,541	£2,544,370	£2,473,276
N - Nautical and STEM	£2,005,899	£1,943,035	£2,873,351	£1,702,183	£2,522,494	£1,241,669	£419,638	£376,131	£7,821,381	£5,263,018
O - Organisational Development	£0	£0	£17,000	£0	£0	£0	£0	£0	£17,000	£0
T - City Ents	£0	£0	£233,109	£193,422	£0	£0	£0	£0	£233,109	£193,422
V - Centre for Professional Techn	£24,981	£3,293	£8,000	£0	£0	£0	£0	£0	£32,981	£3,293
W- World Skills	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Grand Total	£10,885,902	£9,962,504	£3,862,369	£2,333,873	£2,543,374	£1,300,831	£1,750,405	£1,790,491	£19,042,050	£15,387,699

Student Recruitment Plan 2018-19

Faculty	Total Fundable Fees Target 18/19	Sum of Fundable Course Fees Proj 18/19	Total Commercial Fees Target 18/19	Total Commercial Fees Proj 18/19	Total Overseas Fees Target 18/19	Sum of Overseas Fees Proj 18/19	Other Non SFC Fundable Course Income Target 18/19	Other Non SFC Fundable Course Income Proj 18/19	Total Tuition Fees Target 18/19	Sum of Total Tuition Fees Proj 18/19
C - Creative Industries	£3,543,508	£3,359,034	£140,661	£93,915	£0	£6,525	£294,931	£225,759	£3,979,100	£3,685,233
E - Education and Humanities	£3,179,767	£3,029,642	£696,030	£578,230	£8,970	£26,110	£704,225	£826,964	£4,588,992	£4,460,946
H - Hospitality and Leisure	£2,128,716	£2,090,968	£50,016	£45,843	£0	£13,050	£463,785	£383,922	£2,642,517	£2,533,784
N - Nautical and STEM	£2,262,830	£2,243,098	£2,528,010	£2,529,248	£1,837,131	£2,310,208	£292,249	£341,795	£6,920,220	£7,424,349
O - Organisational Development	£0	£0	£3,928	£20,928	£0	£0	£0	£0	£3,928	£20,928
T - City Ents	£0	£0	£210,596	£200,555	£0	£0	£0	£0	£210,596	£200,555
W- World Skills	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
V - CoPTE	£19,700	£9,955	£0	£807	£0	£0	£0	£0	£19,700	£10,762
W - World Skills	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Grand Total	£11,134,521	£10,732,697	£3,629,240	£3,469,526	£1,846,101	£2,355,893	£1,755,191	£1,778,440	£18,365,053	£18,336,556

Risk Management Action Plan

Risk Description: Failure to manage acute threats relating to coronavirus outbreak

Risk ID: 27

Owned by: Pr/DPr

Review Date: 11 May 2020

Update

Full Description:

1. The College fails to manage the acute, immediate and short-term threats resulting from the coronavirus/COVID-19 crisis.

Treatment:

1. A Covid-19 Action Group was established to manage implications of the coronavirus outbreak prior to campus closure.
2. SMT and ELT meet regularly* post-closure to manage the crisis as it affects City of Glasgow College, its students, staff and other stakeholders.
3. The Board and its Committees continue to meet* to schedule, to oversee management of essential functions, management of impacts, and preparedness for future functionality and delivery.

*Via VC

Commentary (Update):

The Senior Management Team prepared for the closure of college campus sites and for the continuance of college functions and learning and teaching delivery remotely. While this is an emerging position at 6 May 2020, the indications are that this was a largely successful transition to emergency arrangements. (5977 students logged into My City in the week prior to 21 April).

27.1 Students in Halls of Residence

SMT managed the care and support of hundreds of students who were initially residing in the Halls of Residence. Immediately prior to, and at UK “lockdown” (23 March 2020) many of these students returned to their home locations. However a small number (50) including vulnerable individuals, are still in the Halls at 6 May. College staff are working in support of the student in residence at the Halls.

27.2 Students at Sea

At April 21 2020, it is reported that 247 officers, cadets, and ratings, enrolled as students at City of Glasgow College, are currently at sea, although most of these are considered to be on ships in “lay-up” in various ports worldwide. College staff continue to support these students.

27.3 Student Support

The Student Support team continues to function remotely, with increased remote/online resources available for mental health and well-being.(e.g. “big white wall”). High volumes of emails continue to be received related to student hardship. Students are particularly concerned about how they will manage at the end of term and during the summer. Support services are dealing with a significant increase in volume of emails with very complex issues related to funding, accommodation, mental health, violence. relationships.

The College has reserved some monies to help maintain/retain students over the summer but this resource is limited.

Student applications for 2020-21 are at similar levels to last year, with 8,200 offers made for the 7,200 places for session 2020-21, and 7,000 acceptances. However, pre enrolment figures are significantly lower than at the same time last year which may indicate that students who have offers may have changed their minds. Support staff are working diligently to engage with new applicants to develop a better picture. It is anticipated that universities will dip into the traditional FE pool of students to offset the significant drop in international students.

A “lockdown” dashboard has been developed including live data on student engagement, which enables lecturers and support staff to focus contact with students.

The Students Association, City SA continues to function, and students are now accessing the Frequently Asked Questions section of the CitySA website. Direct contacts with the SA have subsided for the moment. The SA is in contact with other organisations such as NUS.

27.4 Delivery of Learning and Teaching

Reports from Faculties, post-closure, have been largely positive, including reports of student projects ongoing. There are some issues with assessments, but many of these difficulties are being overcome. For example, Television students are still producing their showreels, although these are being produced without access to College equipment, so the technical quality will not be as high as usual. Similar reports were forthcoming from other areas, as students and staff improvise in a changed environment.

Associate Deans across all Faculties are in effective communication to ensure a consistent approach to such matters as academic appeals etc. Deans reported full contact with staff from early April, and very good contact with students (though not complete in all areas). All students have access to key files principally via the student intranet, My City. It is estimated that 70-90% of students are logging on to My City. However it is not known what reasons there are for students not engaging with the College.

27.5 Commercial/International Development

Contacts are being maintained with the College’s commercial and international partners. It is anticipated that targets for 2020-21 will not now be met, with a significant impact on the College’s overall financial position. However, several key courses of commercial

value (e.g. IOSH, NEBOSH health and safety courses) have now been developed for online delivery by the College. It is anticipated that more programmes will require to be delivered online, although some international partners are still requesting face-to-face delivery at some point in the future.

At April 28 2020, a review of the death rates in countries with which the College has development partnerships and interests indicate that the outbreak has had a significantly lesser impact in terms of recorded deaths. The implications are that partners in these countries may be looking to progress partnership activity sooner than is currently anticipated. (ref: Johns Hopkins Univ; Risk MAP 7)

27.6 College Finances

The College's financial position has radically changed from the position reported in February 2020. The financial forecast at 23 April is a negative position of £4m compared to February 2020. The continued sustainability of the College depends upon a number of factors, subject to external factors and government decisions. The College's exposure is exceptional in the sector by the College's high level of commercial and international income (i.e. non-SFC grant).

27.7 People issues & Payroll

Health, wellbeing and welfare remain primary consideration. All staff have access to line managers, resources, and the HR team for support. More activity is anticipated as we continually adjust to the current emergency situation.

The college continues to pay all employees, the payroll team (like others in the college) have adapted to the emergency working arrangements – paying people on time and accurately remains a priority.

Staff Engagement:

All staff remain engaged, this is constantly being monitored to ensure health and wellbeing. Both formal and informal engagement remains with Trade Unions in order to engage, consult, and prepare for emerging issues and a return to the college.

27.8 IT

The maintenance of an effective IT function is essential for remote functioning. The IT support teams has continued to manage and support the technical aspects of the College functions, as well as student and staff users, through the transition to emergency remote operations.

27.8 Governance/Management

SMT continues to meet regularly, and the Board of Management and its committees continue to meet to schedule.

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