

Board of Management

Finance & Physical Resources Committee

Date of Meeting	Wednesday 9 March 2022
Paper No.	FPRC4-K
Agenda Item	4.10
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Paul Clark, College Secretary/Planning Stuart Thompson; VP Corporate Services
Date of production	3 March 2022
Action	For Approval

1. Recommendations

1. To consider and approve the review of Finance and Physical Resources Risks as detailed in the attached Risk Management Action Plans.
2. To note the revised Risk Register dated 3 March 2022.

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, in particular those risks related to the Committee's areas of responsibility via the related Risk Management Actions Plans (MAPs) and Risk Register.

3. Consultations

3.1 All Risk owners were consulted during this latest review.

4. 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 Strategic Priority 6:

“6. To be efficient, effective, innovating, and vigilant”.

3.2 The risks listed on the Risk Register have been identified by SMT and the Audit Committee, as the current strategic risks faced by the College. The risks are aligned within the same framework of strategic themes as the College Strategic Plan, and those included in the Risk Register have potential impacts on all of the College's Strategic Priorities, in particular Priorities 7 and 8:

“7. To maintain our long-term financial stability”

“8. To secure diversity of income and sustainable development”

3.3 **Two new risks have been added** (AAC March 2022) as Level 1 Risks in the College's Risk Register. Risk 28 is linked to the new College Company development (CGI) Risk Register, and Risk 29 relates to emerging duties under Environmental Social and Governance duties. Risk MAPs for these risks will be developed and reviewed by AAC and FPRC.

3.4 The strategic Risks included in this report are:

- Risks 15, 16, 20, 22, 23 under the Finance Strategic Theme. The current financial outlook and pressures on both income and expenditure have resulted in a budgeted deficit. As a consequence **the Audit and Assurance Committee agreed an increased Risk score for Risk 15 from 12 to 20 RED** (2 March 2022). Risk 16 remains **RED** (Score 20).

- Note: Risk 22 relating to Brexit impacts; score reduced from 12 to 9 - AMBER.
- Risk 12 relating to Business Continuity Planning; Score 12 - AMBER
- Risk 25 relating to IT security; Score 10 - AMBER
- Risk 27 relating to acute threats relating to coronavirus emergency; Score 12 AMBER.

The Risk MAPs for these risks are attached, with risk scores as reviewed by the Audit Committee (March 2022) and subject to further consideration by FPRC.

3.5 A review of strategic risks to November 2021 has been undertaken, involving senior Risk “owners”, and Risk MAPs have been updated accordingly where required.

3.6 A revised Risk Register is included in the appendices.

3. 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 and specific duties.

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” and to expand and develop sustainably via diversity of income. Several risks related to College finances have been scored high (RED) to reflect the immediate financial risks to the College in the light of the present Covid-19 crisis, pressures on income and expenditure, and funding settlements.

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: Current Risk Register**
- **Appendix 2: Highlighted Risk MAPs**

Risk Register: 03 March 2022

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	Jan'22
Students	Failure to establish optimal pedagogical model	2	1	VPSE	1	5	5	20	5		Risk 2 MAP.docx	Jan'22
Students	Failure to achieve good student outcome/progression levels	3	1	VPSE	2	5	10	15	5		Risk 3 MAP.docx	Feb'22
Students	Failure of the College's Duty of Care to Students	21	1	VPSE	2	5	10	20	4		Risk 21 MAP.docx	Jan'22
Growth and Development	Failure to realise planned benefits of Regionalisation	4	1	Pr/DPr	3	3	9	20	3		Risk 4 MAP.docx	Feb'22
Growth and Development	Negative impact upon College reputation	6	1	VPCDI	3	4	12	25	5		Risk 6 MAP.docx	Jan'22
Growth and Development	Failure to achieve improved business development performance with stakeholders	7	1	VPCDI	4	5	20	25	5		Risk 7 MAP.docx	Jan'22
Growth and Development	Failure to manage strategic risks associated with City of Glasgow International Ltd	28	1	VPCDI			tbc			New Risk added AAC 3/22		Mar'221
Growth and Development	Failure to achieve improved performance	8	1	VPSE/DirE	2	5	10	20			Risk 8 MAP.docx	Feb'21
Growth and Development	Failure to attract, engage, and retain suitable staff	9	1	EDHR	2	2	4	20	3		Risk 9 MAP.docx	Feb'22
Growth and Development	Failure to achieve taught degree awarding powers	26	1	DPr	3	4	12	20	3		Risk 9 MAP.docx	Feb'22
Processes and Performance	Negative impact of statutory compliance failure	10	1	CSP	2	5	10	20	5		Risk 10 MAP.docx	Feb'22
Processes and Performance	Failure of Compliance with Environmental Social and Governance (ESG) Duties	29	1	tbc			tbc			New Risk added AAC 3/22		Mar'22
Processes and Performance	Failure of Compliance with the General Data Protection Regulations (GDPR)	24	1	DPr	2	4	8	25	5	Score decr. 12 to 8 AAC 05/21	Risk 24 MAP.docx	Feb'22
Processes and Performance	Failure of Corporate Governance	11	1	Pr/CSP	1	5	5	20	5		Risk 11 MAP.docx	Feb'22
Processes and Performance	Failure of Business Continuity	12	1	VPCS/CSP	3	4	12	25	4		Risk 12 MAP.docx	Feb'22
Processes and Performance	Failure to manage performance	13	1	VPSE/DirE	3	4	12	20	4	Score incr. 4 to 12 PNC 8/21	Risk 13 MAP.docx	Feb'22
Processes and Performance	Negative impact of Industrial Action	14	1	EDHR	3	4	12	25	4		Risk 14 MAP.docx	Feb'22
Processes and Performance	Failure of IT system security	25	1	VPCS	2	5	10	25	5		Risk 25 MAP.docx	Feb'22
Finance	Failure to achieve operating surplus via control of costs and achievement of income targets.	15	1	VPCS	5	4	20	25	4	Score incr. 12 to 20 AAC 02/22	Risk 15 MAP.docx	Mar'22
Finance	Failure to maximise income via diversification	16	1	VPCS/VPCDI	4	5	20	25	5	Score decr. 25 to 20 DC 5/21	Risk 16 MAP.docx	Feb'22
Finance	Failure to obtain funds from College Foundation	20	1	VPCS	1	4	4	20	4		Risk 20 MAP.docx	Feb'22
Finance	Negative impact of Brexit	22	1	VPCS/DCS	3	3	9	15	5	Score decr. from 12 to 9 AAC 3/22	Risk 22 MAP.docx	Mar'22
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'22
ALL	Failure to manage acute threats relating to coronavirus outbreak	27	1	Pr/DPr	3	4	12	25	4	Score incr. 8 to 12; PNC 1/22		Jan'22

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
 EDHR - Executive Director of Human Resources
 DirE - Director of Excellence
 DCS - Director of Corporate Support
 AAC - Audit & Assurance 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

Recent (12mth) change

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

N.B. Closure of low-scoring risks will have an upward impact upon average risk score.

Tolerance vs Risk Score	Acceptable Risk Score		Acceptable Risk Score		Acceptable Risk Score	
	1-3	4-5	6-9	10-12	15-16	20-25
Risk Management Level of Tolerance (Able to Accept)	1	2	3	4	5	6
	Low		Medium		High	

Risk Management Action Plan

Risk Description: Failure of Business Continuity

Risk ID: 12

Owned by: VPCS/CSP

Review Date: Feb 2022

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):

Strategic Review of Business Continuity Management

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.”

January 2019

Business Continuity specialist Ashton Resilience was 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.

April – July 2019

Business Impact Analysis meetings were undertaken throughout the College, between managers from all faculties and service areas with Ashton Resilience.

September/October 2019

This risk was scored RED due to lack of Business Recovery Plans across the College. Ashton Resilience had undertaken Business Impact Analyses for each faculty and service area, with managers from all faculties and service areas, followed by development of Business Recovery Plans (BRPs) for each. This work was completed in September 2019, and was the subject of an Internal Audit of Business Continuity which found a GOOD level of assurance. A new BCP Policy was drafted, and approved by FPRC 2 October 2019.

November 2019

In the context of progress made and the IA Report, the Audit Committee re-assessed the score for this risk as $2 \times 5 = 10$ AMBER.

February-March 2020

The Covid-19 Advisory Group met daily, chaired by the Depute Principal, and considered a wide range of precautionary and business continuity issues. BRP owners were 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, and actions to manage such scenarios agreed.

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 and renewed business recovery planning, in place at the time of building closure, was beneficial in this migration process. Continued business continuity issues relate to the sector-wide (and global) financial impact of the crisis.

July/August 2020

Operations protocols for the College Campus sites have been developed to minimise risk to staff students and visitors, as part of planning a limited return to building occupation. Estates teams (with FES) have planned and implemented measures to minimise risks associated with the movement of people, cleaning and hygiene,

ventilation, airflow/filtration etc. Cleaning staff returned to work in July on a phased return basis.

Recent Score Changes:

Audit and Assurance Committee May 2020: The Risk score was reduced from 20 (RED) to 12 (AMBER) via likelihood score reduction from 5 to 3 following consideration of preparations undertaken to review and renew Business Continuity and Recovery Planning in 2019/20, and subsequent management of business continuity following the outbreak of Covid19 and subsequent building closure. Impact score previously reduced from 5 to 4 BoM (11/3/20)

January 2021

Business Continuity Plan revised to reflect Covid-19 protocols. Business Recovery Plans under ongoing review by BRP owners (SMT). Contingency planning reviewed and refined by SMT through November. Further contingencies in place to reflect Scottish Government Tier status for Glasgow and added lockdown measures at January 2021.

May 2021

Lockdown measures eased in stages in the light of successful vaccination rollout and reduction in positive cases, hospitalisations and deaths due to Covid. A commensurate staged return of staff and students to campus operation is undertaken in line with Scottish Government guidelines. The Principal has met with staff teams across the College to explain the extent of campus return expected of students and staff within these limits, with safety as a priority along with the safe delivery of essential campus learning and teaching. Operations protocols for the College Campus sites have been updated to minimise risk to staff students and visitors. Estates teams (with FES) have planned and implemented measures to minimise risks associated with the movement of people, cleaning and hygiene, ventilation, airflow/filtration etc.

September 2021

The new Hybrid Working Toolkit has been approved by the Board of Management ,and is in place to guide and support the safe return to campus operations on a hybrid basis.

November 2021

BCP Incident Response Plan has been updated, and circulated to the revised and expanded list of all Plan holders.

February 2022

Business Continuity Team met on 17 February to evaluate risk of business interruption due to Met Office Amber weather warning for 18 February, due to snow. Decision to revert to remote learning and teaching for 18 February taken and communicated. College buildings opened from 10am - 4pm after due consideration of all implications and consequences for students, staff, and stakeholders, with particular focus upon safety and well-being.

Business Recovery Plans (16no) are currently under revision and update by BRP owners (SMT) to include lessons learned from implementation.

Business Continuity is included in the draft Internal Audit Plan.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 4/5 Risk Score 12/25 RAG Rating: AMBER 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: 02 Mar 2022

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 2020 however the impact of Covid-19 from March 2020 caused an underlying operating deficit in the 2019-20 annual accounts. The College made no transfer to the College Foundation in March 2020.

In the 2020-21 the College approved financial plan budgeted for a substantial underlying operating deficit (£3.1m) due to the massive financial impact on the College of the Covid-19 pandemic. Appendix 1 highlights the 2020-21 projected underlying operating surplus of £72k. The College has the highest proportion of non SFC income and unfortunately these income sources have suffered the greatest reduction from the closure and cancellation of courses.

The improved financial performance in 2020-21 is due to

- Additional SFC funding (NTTF/YPG, COVID & Student accommodation)
- CJRS (furlough) funding
- Insurance claim
- Cost savings

The College received a significant increase in the SFC Flexible Workforce Development Fund (FWDF) of £445,000 for 2020-21 however the continuing Covid-19 restrictions have delayed and reduced the short-term demand for training causing most of the 2020-21 to be carried forward to 2021-22. The College has the funding to potentially deliver 2.3m FWDF training in 2021-22.

Appendix 1 also highlights the increased 2021-22 projected underlying operating deficit of £2m from the budget deficit of £740k. The Senior Management Team and staff will continue to maximise income, control costs and delivery efficiency savings. The College non SFC income have suffered the greatest reduction from the Covid restrictions and are likely to recover over an extended period. There still remains uncertainties surrounding the projection, especially relating to the demand for commercial and international training.

Summary of net movements (£k)	Fav.	Adv.	Net
Budgeted Position			(740)
Headline Movements as at P6:			
Total Fee income (net of cost)		-100	
Increased Residences Income (net of cost)	+260		
Additional Pay factors (pay award & NIC)		-840	
Increased staff cost of delivery (Teaching)		-1,020	
Staff cost savings - high vacancies (Support)	+440		
Rates Rebate	+230		
CoCG COP 26 events		-170	
<i>Various other off-setting</i>		-100	-1,300
Current Forecast Out-turn (P6)			(2,040)

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.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 5/5 Impact 4/5 Risk Score 20 Increased from 12 to 20 (AAC 3/22) RAG Rating (Overall): RED Target Score: 4	Likelihood 5/5 Impact 5/5 Risk Score 25/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
Low Medium High	Category: Finance 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				

Income	2020/21	2021/22 5 Months			2021/22		
	Actual £k	Budget £k	Forecast £k	Var. £k	Budget £k	Forecast £k	Var. £k
Recurrent grant (inc. fee waiver grant)	40,222	15,000	15,000	-	43,012	43,012	-
Flexible Workforce Development Fund	1,047	496	496	-	1,190	1,436	246
NTTF & YPG	1351	-	-	-	975	2,177	1,202
ESF	2,021	-	-	-	2,069	2,069	-
Childcare Funds	711	-	-	-	1,050	515	(535)
New Campus Glasgow	20,225	8,447	8,450	3	20,273	20,273	-
Covid Support	1,255	-	-	-	-	-	-
Other	904	1,862	1,581	(281)	2,068	2,006	(62)
Buildings	363	-	-	-	146	146	-
Equipment	753	-	-	-	691	691	-
Total SFC Income	68,852	25,805	25,527	(278)	71,474	72,325	851
HE - Home & EU	9,372	4,143	3,856	(287)	9,942	8,799	(1,143)
FE - Home & EU	667	456	516	60	1,093	1,093	0
Non-EU	1,574	497	731	234	1,193	1,776	583
Commercial activities	3,040	1,089	1,410	321	2,613	2,982	369
Educational Contracts	1,985	862	909	47	2,070	2,598	528
Total Fees & Education contracts	16,638	7,047	7,422	375	16,911	17,248	337
Residences	1,223	750	770	20	1,470	2,044	574
Catering	136	319	177	(142)	911	911	-
Learning Technology Projects	246	116	37	(79)	111	63	(48)
EU Projects	174	316	336	20	407	1,174	767
Other Income	857	267	352	85	784	1,103	319
Job Retention Scheme	824	-	-	-	-	-	-
Staff Secondments	309	-	-	-	-	-	-
College Foundation	-	-	-	-	-	434	434
Total Other Income	3,769	1,768	1,672	(96)	3,683	5,729	2,046
Total Income	89,259	34,620	34,621	1	92,068	95,302	3,234

Expenditure	2020/21	2021/22 5 Months			2021/22		
	Actual	Budget	Forecast	Var.	Budget	Forecast	Var.
	£k	£k	£k	£k	£k	£k	£k
Faculties	38,333	15,392	15,908	516	37,915	41,377	3,462
Support Directorates	15,838	7,170	6,745	(425)	18,349	18,233	(116)
3rd-party staff costs / contractor	251	211	124	(87)	517	517	-
Apprenticeship Levy	188	63	61	(2)	190	200	10
Other adjustments & provisions	394	-	-	-	(430)	(430)	-
Total Staff Costs	55,004	22,836	22,838	2	56,541	59,897	3,356
Property costs - NPD	22,297	9,307	9,309	2	22,374	22,374	-
Property costs - non-NPD	2,587	1,396	1,410	14	2,960	2,731	(229)
Other operating expenses	8,183	3,818	3,761	(57)	10,096	11,503	1,407
Depreciation (inc Impairment)	1,116	349	349	-	837	837	-
Other exceptional items (VS etc)	-	-	-	-	-	-	-
Total Other Expenditure	34,183	14,870	14,829	(41)	36,267	37,445	1,178
Total Expenditure	89,187	37,706	37,667	(39)	92,808	97,342	4,534
Total Surplus/(Deficit)	72	(3,086)	(3,046)	40	(740)	(2,040)	(1,300)

Risk Management Action Plan

Risk Description: Failure to maximise income via diversification

Risk ID: 16

Owned by: VPCS/ VPCDI

Review Date: Feb 2022

Update

Full Description:

Failure to optimise income opportunities via existing and potential markets and partners.

Treatment:

Develop of Corporate Development Plan to deliver the College Corporate Development Strategy. Manage and monitor the delivery of the plan.

Commentary:

The Corporate Development Strategy was approved by the Board of Management Development Committee and contains plans, initiatives and targets to meet the overall College strategic priorities. Commercial and International Teams, as well as Academic Faculties, have reviewed all aspects of income diversification.

Regular reportage on growth and development in relation to targets is now a standing item on the Development Committee agenda. The Corporate Development Team and Faculties undertake ongoing reviews of Commercial and International targets, and progress.

Update:

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

Appendix 1 shows the College Income & Expenditure performance, the 2020-21 projected underlying operating surplus of £72k is a massive improvement due to additional SFC funding, CJRS (furlough) funding, improved volume of online teaching and cost controls. 2020-21 Commercial and international course income has an estimated reduction of £0.9m. The other main non SFC income sources adversely

affected by the pandemic are student accommodation and catering income. In addition to the dramatic drop in income the majority of the costs to the 31st July 2020 continued with the College also fully paying all contracted staff.

In 2020-21 the College received £1.7m of SFC funding to support and delivery the National Transition Training Fund (NTTF) and Young Person Guarantee (YPG) initiatives. SFC have announced the regional allocation for 2021-22, our allocation is £2m (7,000 Credits).

The 2021-22 projected underlying operating deficit has increased to £2m from the budget deficit of £740k due to the continuing negative financial impact of the COVID-19 restrictions. International, commercial, student accommodation and catering are all anticipated to experience a slow recovery to pre pandemic levels.

The Corporate Development Team and Faculties were on target to fully deliver the full £894k FWDF SFC Grant allocation. During 2020-21, SFC allocated an additional £445k of FWDF to the College to further support businesses during the pandemic. The training delivery was negatively impacted with our building closure and a high proportion of businesses closed or prioritising tackling Covid-19 business impacts. The team have managed to deliver a significant volume of online training limiting and commitments from employers securing the full grant allocation however there remains a substantial backlog of training to be delivered, £1.1m carried forward at 31st July 2021.

The College budget for 2021-22 incorporates an improvement in commercial & international course income and other Non SFC income however is substantially lower compared to the pre pandemic cash level. Appendix 2 is a graph of income sources over the years since 2016-17 and highlights the substantial and continued growth of SFC funding received by the College, now 70% of the total College income (excl. NPD funding).

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 4/5	Likelihood 5/5
Impact 5/5	Impact 4/5
Risk Score 20/25	Risk Score 20/25
RAG Rating: RED	

Target Score: 9	
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Change and Development/ Financial Low <u>Medium</u> High 1 2 3 4 5 6

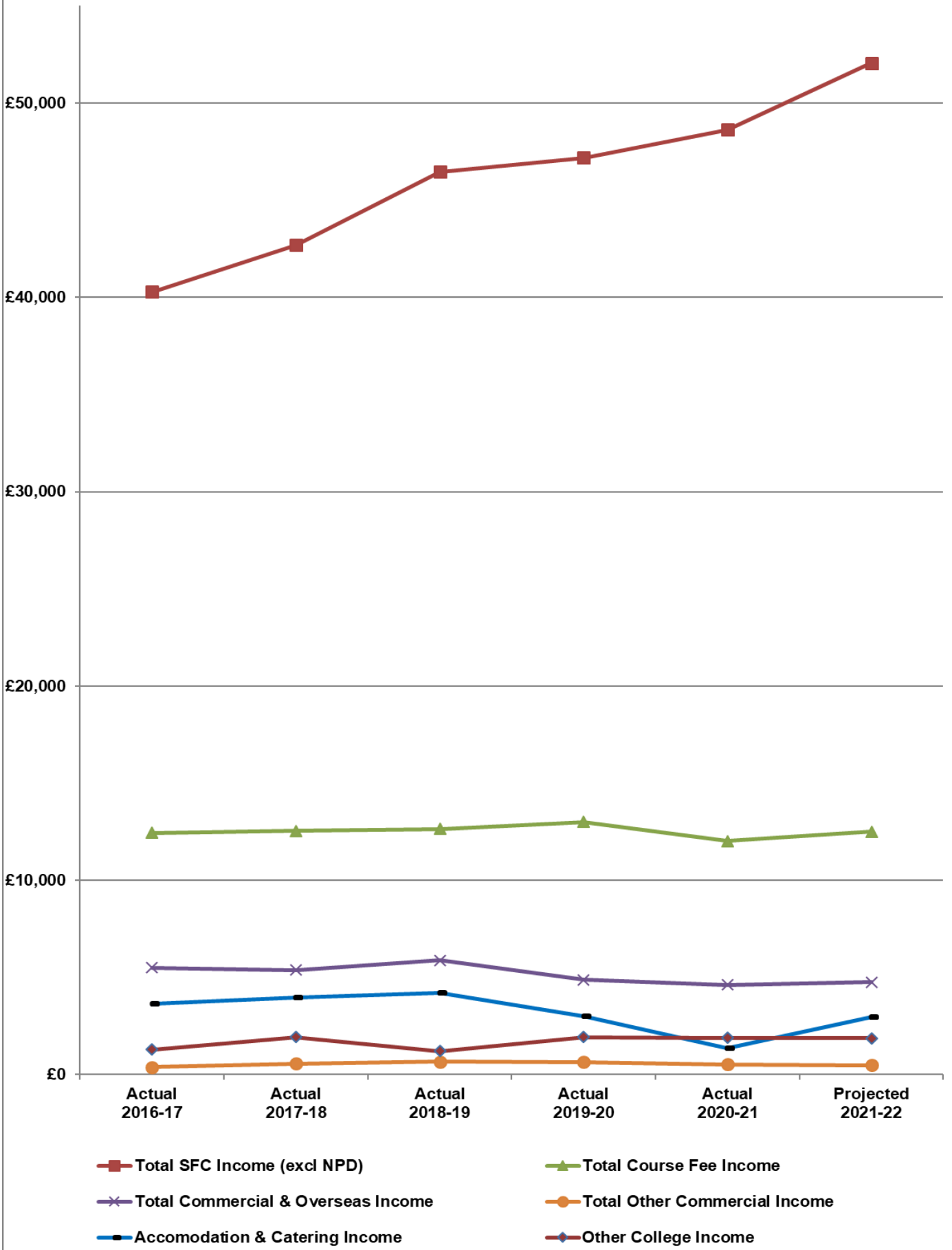
	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
x	Likelihood				

Appendix 1

Income	2020/21	2021/22 5 Months			2021/22		
	Actual	Budget	Forecast	Var.	Budget	Forecast	Var.
	£k	£k	£k	£k	£k	£k	£k
Recurrent grant (inc. fee waiver grant)	40,222	15,000	15,000	-	43,012	43,012	-
Flexible Workforce Development Fund	1,047	496	496	-	1,190	1,436	246
NTTF & YPG	1351	-	-	-	975	2,177	1,202
ESF	2,021	-	-	-	2,069	2,069	-
Childcare Funds	711	-	-	-	1,050	515	(535)
New Campus Glasgow	20,225	8,447	8,450	3	20,273	20,273	-
Covid Support	1,255	-	-	-	-	-	-
Other	904	1,862	1,581	(281)	2,068	2,006	(62)
Buildings	363	-	-	-	146	146	-
Equipment	753	-	-	-	691	691	-
Total SFC Income	68,852	25,805	25,527	(278)	71,474	72,325	851
HE - Home & EU	9,372	4,143	3,856	(287)	9,942	8,799	(1,143)
FE - Home & EU	667	456	516	60	1,093	1,093	0
Non-EU	1,574	497	731	234	1,193	1,776	583
Commercial activities	3,040	1,089	1,410	321	2,613	2,982	369
Educational Contracts	1,985	862	909	47	2,070	2,598	528
Total Fees & Education contracts	16,638	7,047	7,422	375	16,911	17,248	337
Residences	1,223	750	770	20	1,470	2,044	574
Catering	136	319	177	(142)	911	911	-
Learning Technology Projects	246	116	37	(79)	111	63	(48)
EU Projects	174	316	336	20	407	1,174	767
Other Income	857	267	352	85	784	1,103	319
Job Retention Scheme	824	-	-	-	-	-	-
Staff Secondments	309	-	-	-	-	-	-
College Foundation	-	-	-	-	-	434	434
Total Other Income	3,769	1,768	1,672	(96)	3,683	5,729	2,046
Total Income	89,259	34,620	34,621	1	92,068	95,302	3,234

Expenditure	2020/21	2021/22 5 Months			2021/22		
	Actual	Budget	Forecast	Var.	Budget	Forecast	Var.
	£k	£k	£k	£k	£k	£k	£k
Faculties	38,333	15,392	15,908	516	37,915	41,377	3,462
Support Directorates	15,838	7,170	6,745	(425)	18,349	18,233	(116)
3rd-party staff costs / contractor	251	211	124	(87)	517	517	-
Apprenticeship Levy	188	63	61	(2)	190	200	10
Other adjustments & provisions	394	-	-	-	(430)	(430)	-
Total Staff Costs	55,004	22,836	22,838	2	56,541	59,897	3,356
Property costs - NPD	22,297	9,307	9,309	2	22,374	22,374	-
Property costs - non-NPD	2,587	1,396	1,410	14	2,960	2,731	(229)
Other operating expenses	8,183	3,818	3,761	(57)	10,096	11,503	1,407
Depreciation (inc Impairment)	1,116	349	349	-	837	837	-
Other exceptional items (VS etc)	-	-	-	-	-	-	-
Total Other Expenditure	34,183	14,870	14,829	(41)	36,267	37,445	1,178
Total Expenditure	89,187	37,706	37,667	(39)	92,808	97,342	4,534
Total Surplus/(Deficit)	72	(3,086)	(3,046)	40	(740)	(2,040)	(1,300)

City of Glasgow College Income Analysis



Risk Management Action Plan

Risk Description: Failure to obtain funds from College Foundations

Risk ID: 20

Owned by: VPCS

Review Date: Feb 2022

Update

Full Description:

The risk is that applications by the College to access Foundation funds are unsuccessful, leading to under-resourcing of planned initiatives/improvements.

Treatment:

Mitigation consists of a careful framing of the terms of reference of the College Foundation, within the limits of Foundation independence, for which professional legal counsel was sourced externally.

The College should ensure that all applications follow the terms of reference and are carefully prepared and managed.

Commentary (Update):

Retention of/ access to accumulated reserves

The Scottish College Foundation

The sector Foundation has been established and has been granted charitable status. The Foundation is be known as; "The Scottish Colleges Foundation". The College donated £11.7m to the Foundation before the end of March 2014. A meeting was held with the trustees to discuss the College's application to fund the new campus project. A single full application for the overall new campus project costs and to pay the related grant by a single annual payment per financial year over the following 3 years.

The College has applied and received funding of £11.7m, all the £11.7m of funding was linked to the new campus.

City of Glasgow College Foundation

The City of Glasgow College Foundation was formed as a private limited company. The Foundation has charitable status and currently has the maximum of seven trustees. None of the current trustees are members of the College's Board of Management or College employees. The external auditors are satisfied that the structure and Governance of the Foundation provide independence.

The College donated £10m to the Foundation in March 2014 and £3.1m in March 2015.

The College has successfully answered all the trustees' questions and all previous funding application have been approved and paid.

Previous applications,

£2.6m, July 2014, new campus resources

£2.8m, June 2016, new campus resources

£1.1m, August 2017, specialist equipment and IT resources

£0.022m, August 2017, creative industries symposium

£0.033m, August 2017, art foundation awards

£2.1m March 2018, voluntary severance linked to the leadership reorganisation

£0.3m, Jan 2021, expansion of online courses / teaching materials

£0.043m, Jan 2021, ADOBE software licenses for students

£0.6m, Jan 2021, Procure and implement a new Virtual Learning Environment (VLE)

Total approved £9.6m

£1.2m, Feb 2022, replacement of IT equipment

We estimate that the Foundation currently holds a balance of approx. £3.5m before the current application being approved.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 1/5 Impact 4/5 Risk Score 4/25 RAG Rating: GREEN Target Score: 3	Likelihood 4/5 Impact 5/5 Risk Score 20/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Finance 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: Negative Impact of Brexit

Risk ID: 22

Owned by: VPCS/DCS

Review Date: Feb 2022

Update

Full Description:

The key sub risks of Brexit for the College are identified as follows:

1. Loss of European grant funding. The College will receive ESF grant funding of £2.1m in 21-22.
2. Loss of European Programme funding (Erasmus+, Leonardo, Marco Polo Skills Development Scotland manage funds, which are partly supported by European Union money, and which Colleges access, for example, Modern Apprenticeships. Any reduction in funding such as this will impact on Region activity.
3. Loss of European contracts where our partner is EU funded (previous Malta contract)
4. Impact on shipping industry
5. CoGC EU Students – numbers in 21-22 is currently 1,157 from 30,374 (3.8%)
6. CoGC EU Staff – small number of EU staff (41 total headcount, 2.9%)

Treatment:

1. The Scottish Funding Council has responsibility for managing the European Social Fund (ESF) and the Youth Employment Initiative (YEI). SFC has said that they will work with the Scottish Government, colleges and universities to reduce uncertainty for students and institutions in both the short term and the longer term.
2. UK's participation in most of these is assured to the current Programmes' end dates in 2022. The longer term replacement of the Erasmus Programme is a risk for the College.
3. Securing new partnerships or contracts on EU funded projects will become more challenging.

4. As a leading provider of Maritime Education in the UK, we are actively engaged in discussion with the UK Chamber of Shipping to ensure that we can contribute, where appropriate, and take advantage, where new opportunities are emerging
5. We will monitor this minor risk in light of wider national developments
6. Given the current staff profile any change linked to Brexit will have a minor impact.

Commentary (Update):

The College stands to lose a significant amount of EU funding. At the current time it is unclear how or whether this gap will be filled however the Government have announced a replacement fund, Scottish Shared Prosperity Fund (SSPF). The details of the SSPF is currently being by the UK & Scottish Government and should be available to support project and initiatives from 2022.

We will continue to monitor the implications of BREXIT for the College and, as more detail emerges, ensure that we carry out analyses of the implications for students and the potential impact on income streams and overall strategic direction for the College, Region and for the sector.

The UK officially left the EU on the 31st January 2020 and the transition period ended on the 31st December 2020. Some sectors and industries have experienced a negative impact with delays in the supply chain and increased bureaucracy. The College has experienced these short term impacts and also a reduction of staff and students from the EU.

Current impacts

- Reduced the ability to retain and attract staff, who provide a wealth of experience and knowledge to the college sector.
- Reduced number of non-UK EU students. The College has continued to meet our Credit targets by recruiting increased Scottish students.
- Risks around limiting engagement in positive cultural exchange visits ending when the Erasmus+ programmes ends. These programmes have wide ranging positive benefits beyond the educational impact.
- Indirect investments that reach the college sector from local authorities or SDS currently accessing EU funding.
- Experience supply chain delays and increased costs.

The current COVID-19 crisis has reduced the focus on the discussion and future impact of the UK leaving the EU. The crisis occurring at the same time as the Brexit changes make it difficult to separate the main cause of the current negative impact on staff shortages, supply chain delays and significant price increases.

There still remains great uncertainties on the relationship with the EU, new trade agreements and longer term impact of Brexit on Scotland and the College sector.

The Brexit Risk Register for Colleges from SFC is regularly reviewed.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 3/5 Risk Score 9/25 Risk score changed 12 to 9 (AAC 3/22) RAG Rating: AMBER Target Score: 5	Likelihood 5/5 Impact 3/5 Risk Score 15/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Finance? 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				

BREXIT RISK MANAGEMENT APPENDIX: EXAMPLE REGISTER FROM SFC

Area of active College wide BREXIT Impact assessment
 Date
 Review date
 Assessor name

Sep-21

Ref	No	Strategic objective	Uncertain event	Potential impact	Likelihood	Severity	Score	Existing controls	Further action (likelihood)	Further action (impact)	By whom	When
1h	1	Needs of region	If EU-funded Credit (ESF) activity is withdrawn	THEN the College may lose credits	3	4	12	Funding available until 2021. This is built into the FFR.	Likelihood score will increase with proximity of loss of income	Continue to seek efficiency savings to invest in new provision, including consultation with staff re staff reductions and use of temporary staff		
	2	College experience	If business critical supplies are unavailable over an uncertain period of time	THEN the College may have to operate with restricted services and students may not be able to complete courses	2	3	6	BCP would be invoked.	Identify business critical supplies and determine ways of coping with delay or cost - eg food and fuel. Undertake procurement analysis based on info supplied by APUC.	Impact assessments for specific areas of activity. Prioritise use of scarce resources - eg final year groups. Increase online and theory of application. Send more people out to employers for application		
	3	College experience	If the UK does not adopt the same quality standards, employment and legal obligations for procurement activity	THEN the College may procure goods of an inferior quality, resulting in uncertainty about safety, and risk of harm to staff and students	2	3	6	Continue to follow Scottish Government & APUC Ltd guidance				
	4	College experience	If ERASMUS funding for international students is withdrawn	THEN the College may not be able to support student placements in Europe.	3	4	12	Funding student placements is available until 2020. Negligible impact on net position as does not affect staffing levels.				
	4b	College experience	If ERASMUS activity is impacted by No Deal or delay	THEN agreements may be invalid and travel arrangements may be compromised	3	4	12		Existing agreements to be updated.	Safety nets to be put in place for travel		
	5	College experience	If rationing of fuel is introduced	THEN we may suffer staff shortages and inability of students to get to our campuses	2	4	8	BCP / travel plan would be invoked.				
	6	College experience	If there is a shortage of supply of medications	THEN staff or students may become unwell on campus / or unable to attend the college	2	3	6	Maintain full coverage of first aiders. Extend medical protocols process to staff.		Potentially increase student support services		
	7	College experience	If there is a change in availability of data across EU and UK	THEN there may be an impact on business continuity until revised agreements can be put in place	2	3	6	Support from DPO service to identify priority areas to address				
4d	8	Grow Business	If BREXIT adversely affects the Regional economy	THEN employers may not have the capacity to undertake commercial training.	3	4	12	Employer/client engagement, work on new markets and products	Widen client base to spread risk and access funding	Widen client base to spread risk		
	9	Grow Business	If SDS apprenticeship part funding is lost	THEN the College may not be sustain the planned growth in provision	3	4	12	European funding possible up to 2021	May be offset by redistribution of funds by SFC. Likelihood factor may increase	Deliver through temporary resources if possible, which would need to be support staff. If already employed may need to have consultation about staff reductions. Tap into credit funding		
	10	Grow Business	If other funders lose their EU grants	THEN there may be an uncertain impact on secondary income sources eg from SBC	3	3	9	Uncertain impact	Undertake exercise to assess			
	11	Grow Business	If College is unable to accept EU students	THEN tuition fees may be lost	5	3	15	This has negligible impact due to low numbers of students				
	12	Grow Business	If construction industry is significantly affected by labour or supplies shortages	THEN there may be a risk to delivery and completion of our capital/ROSEP projects	5	4	20	Legal obligation to complete contract	Seek a BREXIT impact assessment from major contractors. - Impact assessment complete and guidance from APUC is being closely monitored and shared with the Departments			
5f	13	Sustainability	If EU-funded Credit activity is withdrawn,	THEN the College may lose income with associated impact on staff levels	3	3	9	Funding available until 2021. This is built into the FFR.	Likelihood score will increase with proximity of loss of income	Continue to seek efficiency savings to invest in new provision, including consultation with staff re staff reductions and use of temporary staff		
	14	Sustainability	If the supply of goods will incur increased transport timescales, paperwork, and / or duty	THEN the cost of business as usual may significantly increase	4	2	8	Budget control, financial planning, FFR, close contract management and supplier engagement	Plan ahead for purchases involving procurement at the earliest stage possible	The immediate price increases have been mitigated by terms on existing contracts. The renewal of these contract will likely be at much higher prices. Continue to seek efficiency savings		
	15	Sustainability	If there are changes in regulated procurement processes for greater £50k are restricted to UK	THEN there may be restricted supply, and potential increase in cost	1	3	3	The UK Government are now take part in the GPA in its own right and will continue to be covered by the agreement.	Notification will continue to be received via Scottish Government and APUC Ltd of any concerns	BCP response required if urgent loss of supply		
	16	Sustainability	If the UK does not adopt the same quality standards, employment and legal obligations for procurement activity	THEN the College may not meet its social responsibility and sustainability objectives	2	3	6	Continue to follow Scottish Government & APUC Ltd guidance	Be prepared for changes to contract documents and tender processes			
	17	Sustainability	If Universities lose EU students and EU grants eg research	THEN Universities may look to extend their activities to further education	4	4	16	This would be a massive change for the HE sector but is increasingly likely. Not likely to be felt immediately	Articulation pathways not always successful.	Growing HND provision, looking at other areas of college activity to potentially grow		
	18	Sustainability	If there are restrictions on residential status for EU citizens	THEN labour supply may be affected and / or student numbers reduced	5	3	15	staff who may need to apply for residency.		Establish how we can help them to do this. What about families of staff and students. Prepare briefing notes to share with all staff. Can we offer a drop in service to help with applications.		
	19	Sustainability	If there is social unrest in the area	THEN our ability to maintain services may be adversely affected	3	3	9	BCP would be invoked.	What is our social responsibility in myth busting.	Promote our image as as diverse student and staff population (also wider promotion)		
	20	Sustainability	If EU residents leave	THEN the need for employment may increase in key sectors with a corresponding reduction in student numbers at both FE and HE across the country	3	3	9	Plan for reduction in activity levels	Reduce expenditure, review curriculum to ensure meeting changing needs of the region, continue to work with employers to maintain open corners			
	21	College experience	If the supply of goods are limited when importing to the UK	THEN shortage of good will be available to the college and could impact daily teaching and operations	3	3	9	Obtaining regular supplier impact assessments and APUC Ltd updates.	Better planning and advanced ordering. Regular stock checks.	The immediate supply shortages have been mitigated by alternatives & existing contracts. This will provide the college and procurement in particular advanced notice of a shortage to supply and provide adequate time to build in a contingency.		
	22	College experience	If the supply of goods being imported to the UK incur increased delivery times due to bureaucracy and tighter restrictions	THEN shortage of good will be available to the college and could impact daily teaching and operations	3	4	12	Obtaining regular supplier impact assessments and APUC Ltd updates.	Better planning and advanced ordering. Regular stock checks.	This will allow longer leadtimes for delivery ensure goods are received on time, reducing the impact on teaching and daily operations.		
	23	Sustainability	If the prices of goods increase bureaucracy and associated costs, customs duties and tariffs	THEN the college will incur increased costs leading to budget constraints	4	2	8	Obtaining regular supplier impact assessments and APUC Ltd updates.	Close contract management and supplier engagement	The immediate price increases have been mitigated by terms on existing contracts. The renewal of these contract will likely be at much higher prices. Continue to seek efficiency savings		

AVERAGE 3 3 9

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
Likelihood					

Likelihood	Impact
5 Almost certain 80%	5 Critical Substantial effect upon the objective, thus making it extremely difficult/costly to achieve
4 Very likely 60% 80%	4 Significant Considerable effect on the objective, making it more difficult /costly to achieve
3 Likely 40% - 60%	3 Moderate Evident and material effect on the objective, making it fully achievable only with some moderate additional difficulty or cost
2 Unlikely 20% - 40%	2 Minor Small but noticeable effect on the objective , making it fully achievable but with some minor difficulty/cost
1 Very unlikely - less than 20%	1 Marginal Peripheral effect upon the objective, impacting only in minor way upon achievement

- 1 Needs of our region
- 2 Successful outcomes
- 3 High quality College experience
- 4 Grow our business
- 5 Build sustainability

Risk Management Action Plan

Risk Description: Failure to agree a sustainable model and level of grant funding within Glasgow Region

Risk ID: 23

Owned by: VPCS

Review Date: Feb 2022

Update

Full Description:

Context:

While approving the new campus development and funding, the Scottish Funding Council (SFC) also confirmed their commitment to 210,000 WSUMs (subsequently referred to as 180,000+ Credits) of funded activity once the campus was complete.

In February 2015 the Scottish Government, SFC, Glasgow Colleges Regional Board (GCRB), and the three College Boards agreed a Curriculum and Estates Strategy for Glasgow, and in doing so, ensured that the City of Glasgow College receives the equivalent of 210,000 WSUMs within an agreed timeframe. Within the agreed 2015-2020 Curriculum and Estates Plan for the Glasgow Region to ensure that the grant-funded activity level target for City is achieved. The transfer of Credits within the region agreed in the Curriculum and Estates Plan for the Glasgow Region was completed in 2016-17.

SFC announces annually the initial regional funding allocations following which GCRB allocate funding to the three Glasgow Colleges.

Commentary (Update):

The 2021-22 Scottish Budget contained positive news of an increase in the revenue budget of £35.7m, which equates to a 5.6% increase. The total funding increase to Colleges of £35.7m may include ring fenced funding specific costs / activities and increased student support funding. Disappointingly capital funding was reduced by £2m to £33.7m. SFC announced the final 2021-22 regional funding allocation on 27th May 2021.

The Regional funding allocation increased the total regional Credits, City's SFC Credit target is 183,847. The SFC allocation is a 2.4% increase to the core teaching grant plus the agreed additional national bargaining funding, additional employer teacher pension scheme contributions, mental health, digital provision and foundation apprenticeship. Capital and student support funding were also increased.

GCRB funding allocation means that City still the lowest grant per Credit in the sector at £250 per Credit compared to the Glasgow Regional average of £273 and the sector average of £301.

GCRB have also retained £830k for running costs and GCRB lead projects. This retained funding will have a direct impact on delivery and supporting students across the Glasgow Colleges.

The 2022-23 Scottish Budget was announced on the 9th December 2021 and contained a concerning reduction of £28.2m revenue budget. Disappointingly capital funding remained at the same level, £33.7m. SFC plan to announce the indicative 2022-23 regional funding allocation mid March 2022.

The level of uncertainty regarding the value of future funding is still high with significant risk linked to SFC and GCRB funding methodology. Significant issues for future GCRB College funding allocations are;

- Capital funding
- ESF funding
- National bargaining funding
- IT infrastructure funding
- GCRB running costs & projects

Within the region we have been impacted by the Covid-19 restriction more severely and therefore have a more challenging financial recover period. The 2022-23 and future GCRB funding allocations are even more important as the proportion of SFC funding is increasing as Non SFC income remains depressed with the ongoing impacted of Covid-19 restrictions.

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

Current Risk Score:		Gross Risk Score (assuming no treatment)	
Likelihood	3/5	Likelihood	5/5
Impact	4/5	Impact	5/5
Risk Score	12/25	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: Financial
			<u>Low</u> Medium High
			1 2 3 4 5 6

	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: Breach of IT System Security

Risk ID: 25

Owned by: VPCS

Review Date: Feb 2022

Update

Full Description:

1. Cybercrime
2. Other emergency circumstances resulting in main service failure, and threatening the operation of the college as described in Business Continuity Plan.

Treatment:

1. Maintain current operational controls.
2. Review Business Continuity Plan (BCP).
3. Ensure that IT Disaster Recovery plans are developed and reviewed.
4. Test and Review at local and College level.
5. Compliance with GDPR.
6. Adoption and compliance with UK Government Cyber Essentials Plus recommendations.
7. Continually monitor, review and upgrade security cyber defence and response capability within the college.

Commentary (Update):

Cybercrime:

The college network infrastructure remains effective in utilising defensive and detection measures to mitigate the risk of cyber attacks. However, the persistent and constantly evolving threat of criminal and malicious activity, along with emerging vulnerabilities, new technologies and the rise of nation state actors in this arena, require an ongoing programme to maintain a diligent defence to potential threats.

- Antivirus software to counter malware / ransom ware
- Centralised management and configuration of devices
- Active network monitoring tools
- Web and email filters to quarantine suspicious material
- Intruder prevention / detection measures to counter active hackers
- Port filtering and automated defence measures against network attacks (e.g. Distributed Denial of Service)
- Protection against data & web vectors (e.g. SQL injection)
- Awareness raising programmes, policy and guides to counter social engineering / Phishing
- Role based permissions and segregation of access to minimise risk of

accidental damage and internal attacks

- Encryption to defend against data loss / theft.

To reduce the likelihood of a failure the college has taken the following additional measures:

- The College currently utilises the leading Sophos antivirus solution is trialling 2 new solutions (one being a newer version of Sophos with additional functionality) as a replacement to further enhance this capability.
- The College physical IT estate (classroom and staff PCs) are automatically patched to the latest version of Sophos to enable quicker alerting to incidents.
- The College servers scan central file storage to ensure that any zero day exploit risk is minimised.
- The College continues to monitor and apply security patches to desktop machines, network devices and server infrastructure within 14 days of release to meet the UK Government Cyber Essentials Plus obligations.
- The IT have reviewed and updated the IT Disaster Recovery plan in line with the new College template and preventative measures are in place.
- The College is reviewing and updating our Information Security policy to reflect changing requirements.
- The College has achieved and will maintain UK Government Cyber Essentials Plus accreditation to demonstrate high standards of security governance.
- A new state-of-the-art network Firewall has been installed and configured
- A number of vulnerable older applications and devices have been removed from the College's IT estate to ensure compliance with Cyber Essentials Plus.
- The role of Network & Security Manager has been created to ensure constant focus on cyber security.

The following measures are also proposed to enhance the depth and scope of our cyber resilience capability:

- The College will seek to identify IT security competencies within existing staff and consolidate to share best practice. We will also seek to formally identify specialist IT security responsibilities to be assigned to specific posts as part of the current Leadership restructure.
- The College will develop and align our Cyber Essentials programme towards the adoption of ISO 27001 IT Security standards (existing strategic target to evaluate options by 2020).
- Improvements to incident response / reporting through the IT Service Desk to reduce the impact of potential breaches.
- Alignment of the college capital investment programme with security infrastructure lifecycles to maintain a viable cyber resilience environment.
- The College will evaluate measures for the effective management and remote support of external assets such as mobile devices and laptops to improve standardisation of security measures and reduce risk from theft or loss.

20 April 2021 Update

Progress towards maintaining Cyber Essentials Plus continues with the current COVID pandemic having resulted in the re-certification period date being extended to June 2021. Servers and devices continue to be patched weekly in accordance with the 14 day update window.

Multi-Factor Authentication (MFA) is being rolled out to the Senior Management Team (SMT) initially as they all have college mobile phones and will be offered to staff if they wish to use their personal mobiles to authenticate that it is indeed themselves attempting to log onto College systems (email, MS Teams etc).

SMT now have access to email encryption which will be used when sending personal identifiable information adding an increased and fully encrypted, additional level of email security to what was previously available.

A formal IT Disaster Recovery (DR) Plan is under development with IT working in partnership with a Technology Partner, which will result in an industry good practice, documented, tested IT DR plan that can be referenced in case of an emergency such as a Cyber Attack.

Options for a Cyber Insurance policy are currently being evaluated, with due diligence underway from both the College and Insurance broker perspective to ensure the correct level of cover is obtained.

June 2021 Update

Both Cyber Insurance providers being evaluated at present require Multi-Factor Authentication (MFA) being in place for students and staff as a prerequisite for insurance cover. While this can be put in place for students from the start of session 2021-22, to do so for staff will require agreement with the unions at the JNC, which may take more time. This specific risk is recorded in the IT Cyber Security Risk Register.

At 21 June, the College's insurers are willing to offer cover with a grace period to implement MFA (e.g. 3 months).

Sep 2021 Update

Cyber insurance now in place with the College Insurers with no grace period for MFA in place, instead an increased excess and policy premium have been agreed.

MFA now rolled out to all Students for their Office 365 accounts (email\MS Teams etc.). Positive talks have taken place with the Support Staff Trade Union Reps who support the rollout of MFA (staff will require to use their own mobile phones to authenticate when working off site). MFA now on the agenda for discussion with the Academic Staff TU reps at the next Joint Negotiation Committee. Plan is to have MFA within Office 365 rolled out to all staff by the end of Block 1 in December 2021.

November 2021 Update

Discussions with the Trade Unions for MFA rollout continues, with further discussion as an agenda item planned at the next Local Negotiating Committee. The IT Team have developed a roll out plan for all staff once all Trade Union agreements are in place (Unison are supportive of the proposal once the rollout plan has been shared for feedback).

February 2022 Update

MFA rollout proposal has been presented to and now accepted by both Trade Union's (Support & Academic), which will be fully rolled out by end of May 2022. A Data Privacy Impact assessment was also completed to support the roll out with the objective to provide confidence how any personal data will be captured, stored & processed. MFA is now a pre-requisite for the College's Cyber Essentials Plus obligation.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 2/5 Impact 5/5 Risk Score 10 /25 RAG Rating: AMBER 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 manage acute threats relating to the coronavirus outbreak

Risk ID: 27

Owned by: Pr/DPr/CSP

Review Date: January 2022

Update

Full Description:

1. The College fails to manage the acute, immediate and short-term threats resulting from the coronavirus/COVID-19 crisis.
2. The College fails to manage the ongoing threats resulting from COVID in the medium and longer terms.

Treatment:

1. A Covid-19 Action Group was established to manage implications of the coronavirus outbreak prior to campus closure in March 2020.
2. SMT and ELT meet regularly* 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

The Senior Management Team prepared for the closure of the College campus sites, and for the continuance of College functions including learning and teaching delivery remotely. This was a largely successful transition to emergency arrangements. A live dashboard enables SMT/ELT and the Board to monitor a range of indicators, including student and staff engagements, log-on connections for staff and students, resulting, applications, etc.

27.1 Students in Halls of Residence

SMT and Halls staff have managed the care and support of hundreds of students since initial lockdown in March 2020. The restrictions and further lockdowns in November 2020 and January 2021 had a significant impact on numbers living in the Halls, with 77 students withdrawing from Halls and / or terminating residency agreements since the beginning of semester 2 (144 since the start of the academic year).

Currently, there are 102 students in total in residence (39 at Riverside and 63 at St Luke's). Occupancy at Riverside is at 20%, and at St Luke's 30%.

The staff are continuing to provide round the clock support and care to those still residing with us. The team are also continuing to monitor the Scottish Government advice and guidance and communicate this to residents.

We have had no cases of COVID-19 in the Halls over the last few months.

27.2 Students at Sea

The College no longer has any students who are 'stuck' on ships. All have returned safely.

27.3 Student Recruitment and Enrolment Activity

Conversion rates for full time enrolments at August 2020 were better than anticipated and student retention at December 2020 was good. However, anecdotal evidence in the run up to Easter 2021 suggested that there might be a higher rate of drop out than usual for this time of year, with students feeling a lack of confidence as practical classes resume on campus.

A significant number of evening and part time leisure programmes which could not be delivered online remain suspended. The College will need to consider how to re-engage and re invigorate this market with full on campus engagement resumes.

Schools Programmes have moved entirely online and have also reduced by nearly 60%. Foundation Apprenticeship activity has been prioritised and is reduced by only 12%.

Full time applications for AY 2021/22 commenced on 13 January 2021 with no significant change in numbers at the same period last year pre COVID. Interviews will commence online in February. The intake for AY 2021/22 will include school leavers and applicants whose education and progression may have been impacted by COVID restrictions in 2019/20. Many will have predicted results.

The College will ensure that its widening access policies and procedures offer opportunity and support for these applicants.

27.4 Student Support

Student support across all enrolments moved online in March 2020. While there has been a dip in utilisation in some areas (eg counselling referrals) others have maintained or increased activity (eg support with UCAS applications).

All services are being promoted through a variety of media channels, and a new student communication procedure is helping to improve communication.

Monitoring and evaluation of support services has been increased throughout the COVID period to ensure that services are meeting student's needs. Feedback and collaborative work with City SA helps to ensure that support is targeted and that communication reflects student concerns.

27.5 Delivery of Learning and Teaching

With further lifting of restrictions, the College has moved to a 29% cap on students onsite from 19 April. This equates to a maximum of 1800 students at any one time across both campuses. It is anticipated that the college would progress 80-90% of students but the impact of the EIS strike is currently being assessed. This is an active challenge for Faculties and options have been developed in consultation with staff and the Student Association to ensure that all students progress.

The list below provides a synopsis of developments over the last year:

- **Learning and Teaching Guidance:** The principles of our new Blended Learning model have been shared with all staff by way of Learning and Teaching Guidance. This is continually updated in line with changes from regulatory bodies and the changing nature of Covid restrictions. Currently, the College is awaiting extended and subject specific guidance from SQA for further changes to the assessment of some group awards, and the provision of an additional alternative approach to assessment. Internal Quality Assurance panels will be established with the aim to complete all outcomes by 2 July.
- **Digital Access and Student Connectivity:** A clear priority for the college was ensuring that all learners have access to hardware they can use to access the internet and the Virtual Learning Environment. The college invested almost £1.3m on a laptop loan scheme purchasing 2000 laptops and every student who requested a college laptop, booked a slot and turned up on the day, has received a laptop. In addition, the college has also invested in the purchase of Adobe software licences for students studying in Creative Industries and some STEM areas to allow students to continue learning whilst at home. This again was a significant investment and separate to the Adobe Licence the College holds for onsite computers.
- **Blended learning Fund;** The Blended Learning Fund (BLF) was established in response to the challenge faced during the Covid crisis to ensure we are well placed for delivery of a high quality online learning and teaching experience and to "Let Learning Flourish". The fund was subsequently supported by a successful application the Foundation. The aim was to provide additional support to learning and teaching staff in the delivery and development of the new blended delivery model. The fund application process opened end of January and received a tremendous response from across all faculties. A further essential step is to share outcomes of projects across the college

via on Learning and Teaching Academy staff resource hub and through the Learning and Teaching Conference 'Let's get Phygital' on 14 September 2021.

- Support for Digital Learning: In support of digital delivery the Learning & Teaching Academy has evolved its programme of CPD activity from 'tech how to' webinars in the early days of lockdown to refocus on more pedagogical approaches to managing and developing digital 'classrooms' and working closely with course teams to enhance delivery. The L&TA also launched a sector leading Lecturer Integration programme which all new lecturers will complete when joining the College. This includes five components including digital delivery and set the standard expected from the outset. Separately, and importantly, it is planned to host a City of Glasgow College Online Learning and Teaching Conference this academic year.

27.6 Commercial/International Development

Ongoing activity has been maintained throughout lockdown and various Covid restrictions with the College's commercial and international partners. The College has now received a considerable number of Purchase Orders from the National Maritime Academy (NMA) in Saudi Arabia, which totals almost £800,000. A lot of this activity will be preparatory and undertaken remotely before the physical requirement for the College to send over key personnel to service these PO's.

The Corporate Development Team have also bid for consultancy in Indonesia through the UK Government Prosperity fund and is awaiting confirmation if the bid has been successful. The bid covers work in the Supply Chain and Marine Engineering areas. There have also been a range of remote courses that have taken place with partners in China, Singapore, Malaysia and Vietnam. Initial feedback from these partners has been extremely positive and work will continue using this approach until travel restrictions are lifted.

Domestically the college is still actively tendering and quoting for business across the public & private sectors with request for proposals (RFP), quick quotes and tenders.

Through the activity with employers for the Flexible Workforce Development Fund (FWDF) the College has continually engaged with and trained employees throughout lockdown, have now put over 5000 employees through training since March 2020. It is expected that with restrictions easing the team can deliver on site as well as maintaining remote delivery to those companies whose employees are either shielding or on furlough.

27.7 College Finances

The Covid-19 pandemic has had a massive financial impact on the College since the buildings closure on 17 March 2020. The detailed Risk MAP 15 highlights key risks. The 2019-20 underlying operating deficit represented a substantially reduced loss due

to maximising SFC funding, CJRS (furlough) funding, improved volume of online teaching and cost controls. The College has the highest proportion of non-SFC income in the sector, and unfortunately these income sources have suffered the greatest reduction from the closure and cancellation of courses. The College made no transfer to the College Foundation in March 2020. The College recorded an underlying operating deficit of £360,000 in 2019-20.

The negative impact of the Covid-19 pandemic has continued throughout 2020-21 with the College experiencing massive reductions in income from:

- international training
- commercial training
- student accommodation
- catering
- part-time courses.

The College believes there will be a substantial new demand for upskilling and reskilling in response to the economic recession and financial crisis. There is also a significant increase in the SFC Flexible Workforce Development Fund (FWDF) of which the College received a significant increase of £445,000 for 2020-21. The continuing Covid-19 restrictions have further delayed and reduced the short term demand for training and including FWDF.

The Senior Management Team and staff have continued to maximise income, control costs and deliver efficiency savings. The College and the sector have received additional funding from the CJRS (furlough) funding and SFC funding, and this, combined with cost savings and new operating models, has dramatically improved the College's financial position to now be projecting a break even position in 2020-21.

27.8 People Issues & Payroll

Health, wellbeing and welfare remain primary considerations. All staff have access to line managers and resources, and to the HR team for support. More activity has been developed and rolled out as we continually adjust to the current emergency situation. The College continues to pay all employees: the payroll team (like others in the College) has adapted to the emergency working arrangements – paying people on time and accurately remains a priority. A number of staff were placed on the UK Government furlough scheme, with the College ensuring no loss of pay for the staff involved. SMT continues to monitor and manage this initiative. As at May 2021, most staff are off furlough with a small number on flexible furlough.

Staff Engagement: All staff remain engaged. This is constantly being monitored to ensure health and wellbeing. Both formal and informal engagement continue with Trade Unions in order to engage, consult, and prepare for emerging issues and a return to the College. A holistic wellbeing survey has been undertaken, the results of which will be available in May 2021.

27.9 IT

The IT Team continues to support and make daily improvements to the College's hybrid working for blended learning model to help our students and staff. To supplement the current IT Service Desk Team and increase capacity, 6 temporary IT Service Desk Technicians were recruited who have been instrumental in improving the College end user experience.

To date, the College has provided over 1,500 laptops and 300 Chromebooks on loan to our students to try and alleviate digital poverty and remove barriers to education.

Work is continuing to ensure that the current student and staff MS Teams tenancies are consolidated for the start of the new academic year while working closely with the Learning & Teaching Academy, the MyCity Virtual Learning Environment (VLE) will remain in place for its final academic year while it is phased out to be replaced by the new VLE.

Our new Digital Strategy has been completed and is due for publication. It identifies a number of key strategic initiatives to further enhance City of Glasgow College's "Digital Campus" aspirations. These include the new VLE, developing a Data Warehouse to improve the available data insights, the development of a new Student App and the implementation of a new IT Service Desk platform to improve the responsiveness and ability of the IT Team to support both students and staff in our new hybrid learning & blended models.

27.10 Governance/Management

The Senior Management Team, Executive Leadership Team, as well as the Board of Management and its and Committees continue to meet remotely via MS Teams. The Board has undertaken an External Evaluation of Governance Report (2021) published to schedule as required. Referencing the Code of Good Governance in Scotland's Colleges, this very positive report represents a very high level of assurance in respect of the standard of corporate governance, especially in the context of the required remote operations.

The College was a key participant in a major UK-wide research study of governance in Colleges (pub. Oct. 2021), which included observations and recommendations for remote operations within the UK College and University sectors. This will help to guide continued Board of Management effectiveness through remote and hybrid operations into 2022.

27.11 Business Continuity Planning

The Board and SMT oversaw a migration to remote working from March 2020, including learning and teaching, and all College operations. Recently reviewed and renewed business recovery planning in place at the time of building closure, was highly beneficial

in this migration process. In 2020-21, and since, a partial return to campus has permitted in-person teaching, particularly in practical and other areas of activity where this considered essential. Continued sustainability issues relate to the sector-wide (and global) financial impact of the crisis, however the immediate threat to business continuity from financial impacts has been managed due to government funding and management solutions, as well as the inherent sustainable position of the College.

The Principal met with staff teams across the College before the summer 2021 break, to explain the extent of campus return expected of students and staff within the limits placed by the Scottish Government, with safety as a priority along with the safe delivery of essential campus learning and teaching. Operations protocols for the College Campus sites have been continuously updated to minimise risk to staff students and visitors. Estates teams (with FES) have planned and implemented measures to minimise risks associated with the movement of people, cleaning and hygiene, ventilation, airflow/filtration etc. A hybrid working guide has been produced for operations in session 2021-22.

Update as at November 2021

September saw the number of COVID cases in the College community peak at 189, with 153 students and 36 members of staff returning a positive result. This represented almost 35% of all our cases (549) from the start of recording in mid-September 2020 to end October 2021.

	Staff	Students	Late Notification s (Staff)	Late Notificatio ns (Students)	Total (Staff)	Total (Student s)	Overall Total
September (18-30)	2	9	0	0	2	9	11
October	11	38	0	2	11	40	51
November	13	46	0	0	13	46	59
December (1-18)	3	8	0	1	3	9	12
January	10	28	0	3	10	31	41
February	5	17	1	1	6	18	24
March	3	15	0	0	3	15	18
April (14-30)	4	4	0	0	4	4	8
May	2	13	0	2	2	15	17
June	9	30	0	2	9	32	41
July	8	2	2	1	10	3	13
August	13	40	2	0	15	40	55
September	36	153	0	0	36	153	189

October	9	28	0	1	9	29	38
Total	128	431	5	13	133	444	577

Fortunately, we received no reports of serious illness, and there was no evidence of on-campus transmission of the virus. In October, numbers fell back dramatically to 38 cases in total for the month: but the College is retaining its cautious approach, maintaining 1m physical distancing in classrooms, workshops and public areas, retaining the wearing of masks and keeping our intensified cleaning regime.

Outwith COP26, numbers of staff and students on campus each day sit at around 3,000 – still much reduced over our pre-COVID attendance.

Update as at 7 January 2022

There were 74 confirmed cases of COVID in the College community in December 2021. Of these, 28 cases related to members of staff, and 45 to students. This was a marked increase over the number of cases reported in November (49). This growth is particularly striking when the fact that the December numbers covered just over 3 weeks rather than a full month is taken into consideration. There were no instances of the virus having been proven to have been transmitted on campus. As usual, cases in the College seem to be mirroring the prevalence of the virus in the wider community.

In the light of this rapid spread of the omicron variant, the College decided to move all but critical learning and teaching online from 20 December till 14 January 2022, when the position will be reviewed.

During this period, staff should work from home where possible, unless their role does not allow this or they are needed for critical activity on site. (College staff remain essential workers for this purpose.) There will be a number of Student Support staff on site to assist students with particular needs, and the Libraries will be open and staffed for those who wish to study or just to be in a safe place. Staff are welcome to work in the building if they so wish.

Actions on campus

Those who are coming on campus should follow the existing mitigations with renewed rigour.

All staff and students should:

- Take a Lateral Flow Test before coming into College. Tests are available from Reception at both campuses, and people should not come onto campus if they get a negative result or have any COVID symptoms. In addition to the established symptoms of fever, a new continuous cough and loss of the sense of taste or smell, the Omicron variant can present with severe cold symptoms including a sore throat, headache, aches and pains and a choked nose.

- Wear a face covering before entering either building, unless exempt. Face coverings should be worn in all public spaces (corridors, cafeterias, lifts etc) and when moving around the buildings. Concierges and security staff will be monitoring the use of face coverings and enforcing this message, but all staff are asked to support compliance with this legal requirement.
- **Wear a face covering during all learning and teaching sessions, unless exempt. This is a change from the previous protocols.** Staff may choose to wear a visor instead of a face covering while teaching if they so wish.
- Keep a safe distance apart. To date, the guidance to stay at least 1 metre apart has not been updated: but there is evidence that the omicron variant is more highly transmissible over larger distances, so everyone is encouraged to maintain the distance from others at which they feel safe.
- Wash their hands or use hand sanitiser frequently.
- Sanitise their computer keyboard, workstation and any other equipment before and after use.

Risk Score: May 2021

The Audit Committee agreed an adjustment to the risk score in the light of current circumstances. Risk Likelihood score reduced from 3 to 2 (resulting in an overall risk score of 8 = low Amber).

Risk Score: January 2022

There is evidence that the omicron variant is more transmissible than earlier variants of COVID but less likely to cause serious disease, hospitalisation and death, particularly where people have been double-vaccinated and have had a booster shot. While this is obviously welcome, the sheer number of staff and students who are off sick with COVID may pose a risk to the College's ability to continue to deliver high-quality education to all our students, even online.

Risk Score: 24 January 2022

PNC agreed that the impact of the latest variant of Covid should therefore be increased. Risk score increased to 3x4=12.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 4/5 Risk Score 12/25 RAG Rating: 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: 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				