

Board of Management

Date of Meeting	14 December 2022
Paper No.	BoM3-C
Agenda Item	3.3
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Drew McGowan College Secretary
Date of production	7 December 2022
Action	For Approval

1. Recommendations

- 1.1 To approve the Strategic Risk Register as at 7 December 2022.
- 1.2 To review and approve the revised risk scores and MAPs for risks 13 and 26.

2. Purpose

2.1 To provide the Board with an update on the most recent review of the College's strategic risks. The Strategic Risk Register and the Management Action Plans (MAPs) for high-scoring or revised risks are enclosed.

3. Consultations

3.1 All strategic risk owners were consulted during this latest review.

4. Key Insights

4.1 Risk management is a key component of the College's internal control and governance arrangements, and as such is an important responsibility of the SMT, Finance & Physical Resources Committee, and the Board of Management. This responsibility is highlighted in the College's strategic plan at priority 6, 'to be efficient, effective, innovating, and vigilant'.

4.2 The SMT and the Board of Management have identified the primary strategic risks the College faces, and these are recorded in the Strategic Risk Register. The risks are aligned with the same framework of themes as the College's strategic plan.

4.3 The College's strategic risks are reviewed in detail by the Board's committees, with each committee focusing on those risks most closely aligned with their Terms of Reference. This involves senior risk 'owners' updating the MAP for each risk.

4.4 The Strategic Risk Register is enclosed and the Board is asked to approve the current edition. Members are asked to note the highest current risk scores:

- **Risk 7 (20/25 ●)**: Failure to achieve improved business development performance with stakeholders.
- **Risk 15 (25/25 ●)**: Failure to achieve operating surplus via control of costs and achievement of income targets.
- **Risk 16 (20/25 ●)**: Failure to maximise income via diversification.

4.5 For the purposes of being expeditious in reporting and updating on the College's strategic risks, the Board are asked to approve a decrease in the score for risk 13 and an increase in the score for risk 26:

- **Risk 13 (12/25 ●) to (9/25 ●)**: Failure to manage performance.
- **Risk 26 (12/25 ●) to (16/25 ●)**: Failure to achieve taught degree awarding powers

5. Impact and implications

5.1 The effective management, control and mitigation of risks is essential to the on-going stability and future growth of the College. The identified risks have clear implications in terms of potential impact upon College students and staff, as well as the College's wider reputation

and financial sustainability.

5.2 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'. The College risk register includes matters relating to legal compliance and specific duties.

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

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

Appendices:

Appendix 1: Risk Register: 7 December 2022.

Appendix 2: Revised risk MAPs: 13 and 26

Risk Register: 7 December 2022

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

Key:

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

Recent (12mth) change

Risk Score Matrix

		Likelihood				
Impact	x	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	

Trend

Date	Jun-19	Dec-19	Jun-20	Dec-20	Jun-21	Dec-21	Aug-22	Nov-22
Average Risk Score	9.43	8.95	11.2	11.3	10.7	10.4	10.4	10.6
Number of RED Risks	3	1	4	5	4	2	3	3

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

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

Risk Management Action Plan

Risk Description: Failure to manage performance

Risk ID: 13

Owned by: VPSE/DirEx

Review Date: December 2022

Update

Full Description:

1. Failure to ensure that performance is monitored and managed, and that high performance levels are sustained at all levels.

Treatment:

1. Implement revised Curriculum Planning process.
2. Develop and agree Operational Plans, in line with Balanced Scorecards and the planning framework, for quality enhancement within each Faculty.
3. Implement an "At Risk" Programme group with a specific focus on interventions to address partial success
4. Continuation of faculty improvement plans to increase focus on under performance and actions to address
5. Roll out pilot of new Shared Teaching Practice model
6. Ensuring robust quality arrangements are in place for credit rated activity
7. Ensuring robust quality arrangements are in place for overseas centres

Commentary (Updates):

While our April comparison with the sector provided assurances of ongoing quality, the end of AY21-22 performance has seen a decline in full-time performance. While we await to understand the sector wide impact, Faculties are being asked to complete a Portfolio Review, the outcome of this is intended to address recurring underperforming courses.

Directorate performance is being reviewed in the new year which will coincide with annual quality reviews with Faculties.

Planning guidance will be issued earlier building on the output and recommendations of the end of year reviews held with both SMT and the Board.

February 2022

Progress with the establishment of an annual quality cycle continues. An annual Quality report for AY20-21 was approved by the Academic Board following discussion with QAEC. Planning with Deans and their teams is underway to further establish arrangements in this academic year, including to ensure there is Course, Curriculum and Faculty quality reporting.

Plans are also near completion for the introduction in next session of a 360 Curriculum Review process, which will streamline the engagement between students and Faculties in support of continual reporting on learner outcomes.

A new AD for Quality starts at the end of March to support the further development of the quality cycle.

We are now experiencing realized risks in relation to the migration of the dashboard system. Whilst the current dashboard is being maintained, now that resource has moved from Performance to IT, we are currently operating without expertise in data analytics and survey management. Whilst arrangements are underway to mitigate this – and two surveys have been completed to date, a sustainable solution is needed before the next cycle of quality reporting is required.

Work on tackling under performance in relation to Further Education outcomes is on hold whilst further scoping work is undertaken to assess all the relevant project activity currently underway.

Planning is underway in preparation for HMI Quality Visit in May. This will focus on the impact and recovery from the pandemic, which is a theme the College is well placed to demonstrate impact and leadership, not least through our Covid Impact Case Study.

Risk levels are maintained.

December 2021

A new cycle of operational planning has been completed and actions identified for the year ahead. In the Spring, and in advance of our assessment by EFQM, we will refresh and re-establish a hierarchy of performance measures, establishing a simpler performance report for the Board – utilising the balanced scorecard – aligned to new measures for each of our five strategies. This will establish a central and single point of recording, tracking and reporting performance, allied to clear owners of performance outcomes.

In this reporting period we have reestablished quality arrangements for credit rated activity, although this work is not completed, and further work is needed to agree a costing model and a sustainable arrangement for future credit rating activity.

The assurance work on overseas centres is still to be progressed.

Work has commenced to transition the management of the College dashboard to a more sustainable footing. This should see the establishment of a new Data Warehousing post, responsible for coherent management of college wide data and the introduction of Microsoft PowerBI to oversee dashboard reporting. The new approach will support the work on a focused and central set of performance reports. The migration to the new system has consequences for the maintenance of existing reporting and disruption is anticipated. Work is underway to ensure critical reporting is maintained, whilst older dashboards are archived.

Work on tackling under performance in relation to Further Education outcomes is on hold whilst further scoping work is undertaken.

Risk levels are maintained.

Recent Update Commentaries:

August 2020

Course teams makes full use of data available to assess and monitor performance through the college dashboard. This has been particularly important throughout the covid period particularly through resulting and assuring that students progress their studies. It has to be noted that caution must be taken on performance data for 20/21 given the major impact of covid on the learning experience and individual student lives.

The Director of Excellence post has only recently been filled and the successful applicant will take up post in October 2020.

January 2021

The College was placed under Tier 4 Covid restrictions Friday 20 November 2020 resulting in most classes being delivered online. For many of our teaching staff, this was a continuation of recent weeks and months. However, for some, this had significant implications for delivery of on-campus classes. Only those classes that were considered 'time critical' were allowed access to campus. The College's physical campus was subsequently closed after Christmas holiday as the country moved into full lockdown. Classes continued online but concerns are rising for the completion of practical units and ultimately completion of awards.

A new approach to faculty reviews will commence in Feb 2021. This will represent a departure from past approaches and a move toward evidence based enhancement. In particular, moving from a silo and risk adverse approach toward greater empowerment and co-creation informed by supporting evidence. The key principles underpinning this approach are: Using data for enhancement; Supporting reflection in order to build deeper understanding; Focussing on impact and the difference we are making (and contributing) and Building a quality culture through ownership and empowerment. Every faculty will Identify an exemplar practice for discussion at the meeting and complete the Action Plan setting out plans for improvement for the year. These plans will be monitored on a quarterly basis. A further cross college meeting will be conducted to share practise.

April 2021

Progress is being made with the introduction of a new performance review cycle. This includes attempts to create an aligned planning and review cycle, that better purposes operational planning in support of performance reporting. Three pieces of guidance will be issued shortly to explain and develop the new approaches to reporting. Targeted on Faculties, Directorates and Student Engagement, these will help to explain how and when reporting on progress will take place. Key to the new approach will be the work of the Performance Coordinators who will mine data on a regular basis to help contextualise progress relative to the contribution being made by teams.

Given that the resource commitments of the new approach are not yet known, implementation will be iterative and expected to commence in August. In advance of this we hope to have substantially progressed operational plans, seeking to complete this cycle before the start of the academic year. QAEC is considering the new approach to operational planning at its meeting in April.

We are also mindful of the interruption to the development of performance scorecards, intended to underpin the new approach, following the departure of Chris Rooney, who oversaw the College dashboard and performance reporting, to a new post within the College. Interim arrangements are in place and a temporary replacement has been recruited (but not yet started) while we seek to move this role onto a more stable footing within the IT team as part of wider reforms of performance reporting.

July 2021

A new operational planning timeline has now been introduced along with a new planning template to support in-year progress reporting. Work is also underway to establish a fuller planning and performance cycle in support of the establishment and cascading of annual priorities.

A new data coordinator has been recruited which will support the establishment of college wide / thematic scorecard reporting in the short term, whilst work is underway to establish a centralised Data warehousing and reporting system. This new arrangement should, over time, allow for more detailed analysis of performance outcomes, switching dashboard responsibilities to a central IT role.

Quality assurance processes have been maintained through the course of the year and Internal Quality Assurance panels have been repeated, although at a reduced level, reflecting the wider use of alternative assessment approaches. Panels are expected to continue this year and reconvene in the new AY to manage appeals from students extending the 20/21 session. Final reportage will be provided once we reach the anticipated completion date of 17th September and will include any student(s) in the 'Extending' category.

Work has commenced to refresh internal arrangements for the management of College credit-rating activity. Gaps have been identified in record keeping and the maintenance of annual quality assurance checks on existing commitments. In response, a process has commenced to review the status of all programmes currently registered with SCQF (and appearing on their database), to update paperwork and processes to provide greater assurances, including establishing common standards in relation to third party bodies arrangements for health and safety, data protection, storage of student data and results, and standardisation of assessment. Work is also underway to re-establish the internal credit rating process, including costings for third part bodies, with SCQF providing a bespoke workshop with the performance team in August.

NB: Mindful of the announcement at the beginning of July, of SQA's authority for an alternative assessment site to be established in India, we are commencing a review of overseas quality assurance processes, including the associated international quality assurance costs.

An analysis of the current quality arrangements, their shortfalls and implications, together with likelihood and impact of identified potential consequences, may lead to a revision of the overall risk score. In the interim, we are proposing a raise to the level of risk, mindful of the announcement, the time the review might take, and the work now needed on our credit rated provision.

Consideration should also be taken of the potential impact of failure to manage this risk upon other College Strategic Risks, such as those associated with Failure to

achieve Taught Degree Awarding Powers, business development performance, income diversification, and reputation.

Score increased from 4 to 12 (PNC August 2021) with likelihood increasing from 1 to 3.

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 3/5 Impact 3/5 Risk Score 9/25 RAG Rating: AMBER Target Score: 4	Likelihood 5/5 Impact 4/5 Risk Score 20/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
<u>Low</u> Medium High	Category: Reputation/ Student Experience <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 taught degree awarding powers (tDAP).

Risk ID: 26

Owned by: Depute Principal

Review Date: December 2022

Update

Full Description:

The College fails to achieve taught degree awarding powers (tDAP).

Treatment:

A project Board has been established, led by Principal Little, with ELT, HR, Students' Association and Board member representation. The Project Sponsor is the Depute Principal, Dr Sheila Lodge.

Commentary (Update):

A risk register was developed for the tDAP project comprising the risk areas outlined below. These areas include the tDAP criteria set out by the Quality Assurance Agency:

26.1 Communication: RED

26.2 Academic Staffing: RED

26.3 Administrative Systems: AMBER

26.4 Governance/Management: AMBER/GREEN

26.5 Quality Assurance: RED/AMBER

26.6 Financial: AMBER/GREEN

Note:

The College will submit its application for tDAP only when it is confident that it will be successful. There is no external deadline, and although ELT is keen to achieve tDAP as soon as possible, it is a question of 'when' rather than 'if'. This has a bearing in the current risk score below.

Update as at September 2020

The Audit and Assurance Committee agreed a change from 4x4 (16 - RED) to 3x4 (12 - AMBER).

Update as at May 2021

Although the coronavirus pandemic has delayed progress with some aspects of preparing to apply for tDAP, this still remains a key priority for the College, and progress is being made in specific areas, especially in relation to quality.

Update as at September 2021

The Learning and Teaching Committee reviewed this risk on 7 September 2021, and confirmed the Risk Score of 3x4=12, remaining Amber.

Update as at May 2022

A paper is being prepared for ELT and the Board on the likely revised schedule for achieving tDAP and measures to be taken in the interim to improve the College's chances of success.

Update as at December 2022

In the course of 2022, the nature and extent of the funding and financial challenges to the College have become clearer. As a result, a paper was presented to ELT on 28 September 2022. Although progress is being made against each of the criteria, it is clear that the criteria relating to staff profile and staff development would be particularly challenging:

The institution should be able to demonstrate that a significant proportion of its academic staff have:

- 10.1 *higher degrees and relevant professional qualifications*
- 10.2 *teaching experience in other higher education institutions*
- 10.3 *experience of curriculum development and assessment design*
- 10.4 *relevant experience outside higher education, for example in professional practice.*

In addition, Criterion 11 stipulates:

The institution should be able to demonstrate that:

- 11.1 *a proportion of its academic staff are active in subject associations and relevant professional bodies*
- 11.2 *a significant proportion of its academic staff participate in professional development schemes*
- 11.3 *there are institutional and local level strategies of staff development designed to establish, develop and enhance staff competences*
- 11.4 *an extensive portfolio of teaching development activities has been established*
- 11.5 *staff contribute to academic publications.*

Despite several attempts to encourage staff to participate, only 187 employees had completed the Staff Survey by July 2022. This means that there is still no definite data on the number of staff who hold a higher degree.

The first cut of the responses that have been obtained so far suggest that City of Glasgow College is a very long way indeed from being able to meet the expectations of an institution applying for tDAP, where 'a significant

proportion' is held to mean that at least 40% of teaching staff should have a higher degree and be engaged with curriculum development and scholarly activity. For instance, key indicators include:

- Involvement in curriculum development 49 (26%)
- Membership of a subject association 14 (7%)
- Involvement in a validation event 19 (10%)
- Given a paper at a conference 9 (5%)
- Published a scholarly article 9 (5%)
- Published a book or book chapter 3 (1.6%)

The College could appoint a new cadre of staff with the requisite qualifications to meet the criteria. This would not only demand a massive financial investment, but would also create a highly divisive two-tier staffing strategy, which would undermine the united Team City culture that has been built so carefully over the last decade. Not only is such an approach clearly unaffordable at the current time; it is also entirely undesirable.

Alternatively, the College could push ahead with its 'grow its own' staff strategy, developing colleagues by encouraging many more to take a higher degree. The Director of Finance estimates costs for c.25-35 additional staff per annum beginning a higher degree part-time as c. **£0.9m - £1.15m per annum** (after year 1, 2022-23) over a four-year period, so approaching some **£4m** in total. It must be noted that even this investment would deliver a maximum of 115 staff with a higher degree at the end of year 3.

In addition, there would be further costs involved if many more staff were to be encouraged to participate in conferences and undertake other kinds of scholarly activity, such as writing pedagogical articles and developing research projects. This could easily amount to some **£50K** a year.

In addition, giving more existing staff the opportunity to participate quickly in curriculum development and validation would also incur costs. For illustration, the development costs for each Faculty bringing forward 2 degrees over two years (i.e. 8degrees a year), with 4 members of staff being involved in each development team, would demand c. **£190K** of additional resource for backfill and development days. Fees would also be charged by the university validating the degree.

Moreover, the fee for an institution applying for tDAP in Scotland was raised in July 2022 to **£2,600** at the time of submitting the Critical Self-Assessment plus **£93,000** to be paid if the application proceeds to a visit by a Scrutiny Panel.

Given the financial obstacles and the long time line likely to be involved in developing the College's staffing profile, ELT agreed to revise significantly the planned timeline to application. It was suggested that, given the current financial uncertainties, no firm deadline be chosen at the present time, but that a working time frame of 10 years be established and revisited and revised as part of the annual operational planning cycle.

This would allow for timelines to be shortened if funding should become available sooner than presently seems likely.

In the meantime, it will be essential that the College continue to make progress towards meeting all the criteria for tDAP other than the staff profile during the period of financial stringency, since improvement, for instance, in our systems, student support, IT, quality and planning are all very much part of the College's continuing core business over the next five years.

Against this background, it is proposed that the risk score be raised to $4 \times 4 = 16$ (RED) from $3 \times 4 = 12$ (AMBER).

Current Risk Score:	Gross Risk Score (assuming no treatment)
Likelihood 4/5 Impact 4/5 Risk Score 16/25 RAG Rating: RED Target Score: 5	Likelihood 5/5 Impact 4/5 Risk Score 20/25
Risk Appetite (Willing to accept):	Risk Tolerance (Able to accept):
Low Medium High	Category: Business Continuity Low Medium High 1 2 <u>3</u> 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				