Board of Management

Learning & Teaching Committee

Date of Meeting	**Tuesday 14 February 2023**
Paper No.	**LTC3-G**
Agenda Item	**4.7**
Subject of Paper	**Strategic Risk Review**
FOISA Status	**Disclosable**
Primary Contact	**Drew McGowan** **College Secretary**
Date of production	**6 February 2023**
Action	**For Discussion and Decision**

1.   Recommendations

1.1   To discuss and approve the Strategic Risk Register as at 24 January 2023 for risks reported to the Committee.

1.2   To note MAPs for the high-scoring risks (26) reported to the Committee.

2. Purpose

2.1   To provide the Learning and Teaching Committee with an update on the most recent review of the College's strategic risks for those reported to the Committee. 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 Board of Management and the Senior Management Team. 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 when required.

4.4   The Strategic Risk Register is enclosed and the Committee is asked to approve the current edition. Four strategic risks are reported to the Committee. No changes to risk scores or MAPs are proposed in this review; however, Risk 26 was increased since it was last reported the Committee. Members are asked to note the high-scoring risks that are reported to the Committee:

   • **Risk 26 (16/25 🔴):** Failure to achieve taught degree awarding powers.

4.5   Risk 26 was increased (12/25 🟡 to 16/25 🔴) by the Board in December 2022. The Deputy Principal explained that while good progress had been made against the tDAP criterion to date, the staff profile and development criteria are now considered to be more challenging due to the current financial uncertainties the College faces. Noting this, and the significant application fee, members agreed to increase the score at the Deputy Principal's request.

5. Impact and implications

5.1   The effective management, control and mitigation of risks is essential to the ongoing 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: 24 January 2023.

Appendix 2: Risk MAP 26.

Risk Register: 24 January 2023

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
						CURRENT EVALUATION			**AIM and PROGRESS**			**RISK TREATMENT**	
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/DPr	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 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	AAC, PNC	29	1	DPr/CS	1	5	5	5	5	Score set to 5 PNC 01/23	Risk 29 Map	Jan'23
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	4	12	20	4		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/DPr	2	4	8	25	4	Score decr. 12 to 8: PNC 8/22	Risk 27 MAP	Aug'22

Recent (12mnth) change

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

Risk Score Matrix

		Likelihood				
Impact	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
x		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
	1	2	3	4	5	6
Risk Management Level of Tolerance (Able to Accept)	Low		Medium		High	

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 alsoentirely 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 teplanned 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, and the work of the Learning & Teaching Academy, 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 x 4 = 16 (RED).

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 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 **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			