Board of Management
People & Culture Committee

Date of Meeting	**1 November 2023**
Paper No.	**PCC1-J**
Agenda Item	**5.6**
Subject of Paper	**Strategic Risk Review**
FOISA Status	**Disclosable**
Primary Contact	**Drew McGowan** **College Secretary**
Date of production	**24 October 2023**
Action	**For Discussion and Decision**

1. Recommendations

1.1. To discuss and approve the Strategic Risk Register for risks reported to the Committee, recommending any changes to the Board of Management for final approval.

1.2. To note the Risk Management Action Plans for risks reported to the Committee.

2.   Purpose

2.1.   To provide the People & Culture Committee with an update on the most recent quarterly review of the College's strategic risks for those reported to the Committee. The Strategic Risk Register and the Management Action Plans (MAPs) are enclosed.

3.   Consultation

3.1.   All strategic risk owners were consulted during the latest quarterly 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, the Executive Leadership Team (ELT) and the Senior Management Team (SMT). Final approval of the Strategic Risk register is reserved to the Board and the Audit & Assurance Committee has oversight over the College's risk management approach.

4.2.   ELT and SMT members are invited to review the risks they own on a quarterly basis. This is to ensure that the College, our Board and its committees, remain aware of any changes in the risk environment and that our risk management plans remain up-to-date and effective. Committees review the risks that are within their remit and recommend any changes to the Board for final approval.

4.3.   The Strategic Risk Register and the MAPs are enclosed for the Committee's consideration and approval of members. 3 strategic risks are reported to the Committee. 1 change to risk scores are proposed in this review:

No.	Risk Title	Previous Score	Proposed Score
SR17	Negative impact of industrial action	🔴 16 (4 x 4)	🔴 20 (5 x 4)

4.4.   The College's strategic risk reporting has been streamlined over the summer in preparation for the new academic year. The Strategic Risk Register has been refreshed and the MAPs have been condensed from a total of 104 pages to 13. This remains a work in progress and feedback is welcome.

5.   Impact and Implications

5.1.   The effective management, control and mitigation of risks are essential to the College's institutional and financial sustainability, compliance, reputation and future growth.

Appendices:

Appendix 1: Strategic Risk Register

Appendix 2: Risk Management Action Plans

Strategic Risk Register: October 2023

ID	Risk Title	Owner	Impact	Prob.	Net Score	Trend	Updated	Committee
	The Risk		**Assessment**			**Changes**		**Board**
SR1	Failure to support successful student outcomes and progression	VPSE	5	4	20	↔	Sept '23	Learning
SR2	Failure to establish an optimal pedagogical model	VPSE	5	1	5	↔	Aug '23	Learning
SR4	Failure of the College's duty of care to students	VPSE	5	2	10	↔	Sept '23	Learning
SR5	Failure to realise planned benefits of Regionalisation	Pr DPr	3	3	9	↔	Aug '23	Conveners'
SR6	Negative impact upon the College's reputation	VPCDI	3	3	9	↘	Oct '23	Development
SR7	Failure to achieve improved business development with stakeholders	VPCDI	3	3	9	↘	Oct '23	Development
SR8	Failure to manage strategic risks associated with CGI Ltd	VPCDI	5	2	10	↔	Oct '23	Development
SR9	Failure to manage performance and achieve improved performance	DE	5	2	10	↔	Oct '23	Audit
SR10	Failure to attract, engage, and retain suitable staff	VPPCS	4	4	16	↔	Oct '23	People
SR11	Failure to achieve taught degree awarding powers	DPr	4	4	16	↔	Aug '23	Learning
SR12	Negative impact of statutory compliance failure	DPr CS	5	2	10	↔	Aug '23	Audit
SR13	Failure of compliance with Environmental Social and Governance (ESG) duties	DPr CS	5	1	5	↔	Aug '23	Audit
SR14	Failure of compliance with the General Data Protection Regulations (GDPR)	DPr	4	2	8	↔	Aug '23	Audit
SR15	Failure of corporate governance	Pr CS	5	1	5	↔	Oct '23	Audit
SR16	Failure of business continuity	CS	4	3	12	↔	Aug '23	Audit
SR17	Negative impact of industrial action	VPPCS	5	4	20	↗	Oct '23	People
SR18	Failure of IT system security	DIT	5	2	10	↔	Oct '23	People
SR19	Failure to achieve operating surplus	CFO	5	5	25	↔	Oct '23	Finance
SR20	Failure to maximise income via diversification	CFO VPCDI	5	4	20	↔	Oct '23	Development
SR21	Failure to obtain funds from the City of Glasgow College Foundation	CFO	4	3	12	↔	Oct '23	Finance
SR22	Negative impact of Brexit	CFO DCS	2	3	6	↘	Oct '23	Finance
SR23	Failure to secure a sustainable model/level of funding	CFO	4	3	12	↔	Oct '23	Finance
SR24	Failure to secure sufficient capital investment	CFO	4	4	16	↗	Oct '23	Finance
SR26	Failure to prepare and respond to emerging public health incidents and crises	DPr	5	2	10	↔	Aug '23	Conveners'

Impact and Probability Criteria

Score	Impact	Probability
1	**Insignificant:** the risk has minimal to no effect on the College's operations, objectives, reputation, stakeholders or financial sustainability.	**Highly Unlikely:** the likelihood of the risk occurring is minimal. It would be estimated that the risk has a 1-5% chance of happening.
2	**Minor:** the risk may cause slight disruption or impact on the College's operations, objectives, reputation, stakeholders or financial sustainability.	**Unlikely:** the likelihood of the risk occurring is unlikely but still possible. It would be estimated that the risk has a 6-25% chance of happening.
3	**Moderate:** the risk has a noticeable impact or disruption, affecting the College's operations, objectives, reputation, stakeholders or financial sustainability.	**Possible:** the likelihood of the risk occurring is reasonable. It would be estimated that the risk has a 26-50% chance of happening.
4	**Major:** the risk has a substantial impact on the College's operations, objectives, reputation, stakeholders or financial sustainability.	**Likely:** the likelihood of the risk occurring is probable. It would be estimated that the risk has a 51-75% chance of happening.
5	**Critical:** the risk is a severe threat to the College's operations, objectives, reputation, stakeholders or financial sustainability.	**Almost Certain:** the likelihood of the risk occurring is highly likely. It would be estimated that the risk has more than a 75% chance of happening.

Key

Pr	Principal & CEO
DPr	Depute Principal & COO
CFO	Chief Financial Officer
VPSE	Vice Principal Student Experience
VPCDI	Vice Principal Corporate Development
VPPCS	Vice Principal People & Corporate Services
CS	College Secretary
DE	Director of Excellence
DCS	Director of Corporate Support
DSE	Director of Student Experience
DIT	Director of IT

↗ New risk or existing risk score has increased since the previous review.

↘ Risk score has decreased since the previous review.

↔ Risk score has not changed since the previous review.

Risk Matrix

LIKELIHOOD					
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
	1	2	3	4	5

IMPACT

Low (1-5) Acceptable level of risk subject to periodic review

Medium (6-12) Moderate level of risk subject to regular monitoring and mitigating actions and plans being in place

High (15-20) Unacceptable level of risk requiring immediate actions and plans to prevent or mitigate

Critical (25) Critical level of risk requiring urgent attention and actions to prevent or mitigate

Risk Management Action Plans

ID	Risk Title	Owner	Risk/Treatment Description	Developments/Commentary	Appetite	Tolerance	Net Score				Gross Score			Changes		
			The Risk				Impact	Prob.	Score	Target	Impact	Prob.	Score	Trend	Updated	History
SR10	Failure to attract, engage, and retain suitable staff	VPPCS	There is a risk that the College might fail to attract, engage, and retain suitable staff due to issues like recruitment challenges, staff development gaps, and insufficient training strategies.

To treat this risk, the College will implement a People & Culture Strategy. This strategy, spanning 2021-2030, is built on four key aims: develop a comprehensive workforce plan; offer collaborative support to our people; establish a new world of work; and enhance employment relations through culture. | Oct '23: Further to and since the update in April, the College has experienced instances of difficulty in attracting and retaining people in key roles. The current score is therefore consistent with this experience.

April '23: The Board approved the People and Culture Strategy 2021-2030, comprising four aims including workforce planning, collaboration support, future-oriented work, and enhanced employment relations. Effective strategy implementation and monitoring will mitigate risks. A hybrid working guide aids Covid-19 recovery with flexible organisational balance. Amid unprecedented organisational change involving Voluntary Severance and future Compulsory Redundancy, the challenge of attracting, retaining, and engaging staff is anticipated to increase. | Medium | Low | 4 | 4 | 16 | 3 | 5 | 4 | 20 | ↔ | Oct '23 | Aug '23: Edited for transfer to new MAP.

June '23: Score increased from 4 to 16. |
| SR17 | Negative impact of industrial action | VPPCS | There is a risk of service disruption and a negative impact on the College's reputation resulting from industrial action.

To respond to this risk, the College has two established negotiating forums for lecturing and support staff, with the frequency of meetings based on the Recognition & Procedure Agreement and current requirements. The College has also signed the National Recognition & Procedure Agreement and is a member of College Employers Scotland. All "in scope" pay and terms and conditions negotiations now take place at the National Joint Negotiating Committee. | Oct '23: Re-ballot for industrial action at both local and national levels is currently in process. The College is seeking to proactively resolve the current dispute by bringing an end to this phase of organisational change and developing a Fair Work statement with our trade unions. This risk is also linked to SR1 - paper on impact on learning and teaching tabled at the Board in October.

Apr '23: The College/the sector is likely to face more industrial action aligned with lecturers' pay offer. EIS-FELA has a national mandate for Action Short of Strike (ASOS) and strikes starting Academic Year 2023/24... Continuous strike action in the past 8 years seems unabated due to ongoing financial challenges. The potential for more strikes and ASOS is expected as funding issues persist in the sector. | High | Medium | 5 | 4 | 20 | 4 | 5 | 5 | 25 | ↗ | Oct '23 | Oct '23: Score increased from 16 to 20.

Aug '23: Edited for transfer to new MAP.

June '23: Score increased from 12 to 16. |

ID	Risk Title	Owner	Risk/Treatment Description	Developments/Commentary	Appetite	Tolerance	Impact	Prob.	Score	Target	Impact	Prob.	Score	Trend	Updated	History
SR18	Failure of IT system security	DIT	There is a risk of a failure of the College's IT system security resulting from potential breaches occuring through cybercrime and other emergency circumstances. To manage this risk effectively, operational controls will be maintained and the Business Recovery Plan will be regularly reviewed. Robust IT Disaster Recovery plans will be developed and consistently evaluated. Rigorous testing and reviews will be conducted both locally and at the College level to ensure preparedness. The College is committed to maintaining compliance with GDPR regulations and adhering to the UK Government's Cyber Essentials Plus recommendations. Furthermore, a continual process of enhancing cyber defense and response capabilities within the College will be upheld to proactively address emerging threats.	Oct '23: Multi Factor Authentication (MFA) fully rolled out for both staff & students. IT Disaster Recovery, Business Continuity & Cyber Incident Response Plans now developed & successfully tested (externally verified by Ashton Resilience Oct '23). College Firewalls being upgraded (upgraded Oct '23). College now has Amazon (AWS) cloud tenancy configured with plan to use this to host fully offline, immutable backups by Nov '23. This will allow us to re-apply for Cyber Insurance as this type of backup has now become a pre-requisite.	Low	Low	5	2	10	5	5	5	25	↔	Oct '23	Aug '23: Edited for transfer to new MAP.