

Board of Management Conveners' Committee

Date of Meeting	26 August 2024
Paper No.	CC1-F
Agenda Item	4.4
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Drew McGowan Associate Director of Governance and Risk
Date of production	16 August 2024
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 Conveners' 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. 2 strategic risks are reported to the Committee. No changes to risk scores are proposed in this review.

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

The Risk			Assessment			Changes		Board
ID	Risk Title	Owner	Impact	Prob.	Net Score	Trend	Updated	Committee
SR1	Failure to support successful student outcomes and progression	VPSE	5	4	20	↔	Aug '24	Learning
SR2	Failure to establish an optimal pedagogical model	VPSE	5	1	5	↔	Aug '24	Learning
SR4	Failure of the College's duty of care to students	VPSE	5	2	10	↔	Aug '24	Learning
SR5	Failure to realise planned benefits of Regionalisation	Pr DPr	3	3	9	↔	Aug '24	Conveners'
SR6	Negative impact upon the College's reputation	VPCDI	3	3	9	↔	Aug '24	Development
SR7	Failure to achieve improved business development with stakeholders	VPCDI	3	3	9	↔	Aug '24	Development
SR8	Failure to manage strategic risks associated with CGI Ltd	VPCDI	5	2	10	↔	Aug '24	Development
SR9	Failure to manage performance and achieve improved performance	DE	5	4	20	↗	Aug '24	Audit
SR10	Failure to attract, engage, and retain suitable staff	VPPCS	4	4	16	↔	Aug '24	People
SR11	Failure to achieve taught degree awarding powers	DPr	4	4	16	↘	Aug '24	Learning
SR12	Negative impact of statutory compliance failure	DPr ADGR	5	2	10	↔	Aug '24	Audit
SR13	Failure of compliance with Environmental Social and Governance (ESG) duties	DPr ADGR	5	1	5	↔	Aug '24	Audit
SR14	Failure of compliance with the General Data Protection Regulations (GDPR)	DPr	4	2	8	↔	Aug '24	Audit
SR15	Failure of corporate governance	Pr ADGR	5	1	5	↔	Aug '24	Audit
SR16	Failure of business continuity	ADGR	4	3	12	↔	Aug '24	Audit
SR17	Negative impact of industrial action	VPPCS	5	4	20	↔	Aug '24	People
SR18	Failure of IT system security	DIT	5	2	10	↔	Aug '24	People
SR19	Failure to achieve operating surplus	CFO	4	5	20	↘	Aug '24	Finance
SR20	Failure to maximise income via diversification	CFO VPCDI	5	4	20	↔	Aug '24	Development
SR21	Failure to obtain funds from the Foundation for the College's priorities	CFO	4	3	12	↔	Aug '24	Finance
SR23	Failure to secure a sustainable model/level of funding	CFO	4	4	16	↔	Aug '24	Finance
SR24	Failure to secure sufficient capital investment	CFO	4	4	16	↔	Aug '24	Finance
SR26	Failure to prepare and respond to emerging public health incidents and crises	DPr	5	2	10	↔	Aug '24	Conveners'
SR27	Failure to prepare for the impact and harness the capabilities of AI	VPSE	3	3	9	↔	May '24	Learning

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
ADGR	Associate Director of Governance & Risk
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

	5	5	10	15	20	25
LIKELIHOOD	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

Risk Management Action Plans															
The Risk					Net Score				Gross Score			Changes			
ID	Risk Title	Owner	Risk/Treatment Description	Developments/Commentary	Appetite	Impact	Prob.	Score	Target	Impact	Prob.	Score	Trend	Updated	History
SR5	Failure to realise planned benefits of Regionalisation	Pr DPr	<p>There is a risk that the College may fail to realise the planned benefits of Regionalisation, leading to a negative impact on our position within the Regionalisation Agenda. There is a further risk that the College fails to manage changes to governance arising from regionalisation to the benefit of the College and our stakeholders.</p> <p>To treat this risk, the College will maintain effective dialogue with the GCRB, SFC, Scottish Government and other colleges. Additionally, the involvement of college senior staff in regional strategic groups will be ensured to actively participate in decision-making processes, enabling the College to adapt and align with the regional agenda effectively.</p>	<p>Aug '24: Proposals for the dissolution of GCRB and to ensure the subsequent co-operation of the Glasgow colleges have been published and are out for consultation. The College, and our sister institutions in the city, will respond to the Scottish Government's consultation.</p> <p>April '24: Recent discussions with the Minister for Veterans and the Minister for Higher and Further Education suggest that a decision regarding GCRB may be on the horizon.</p> <p>Jan '24: We are still awaiting a decision/guidance from the SFC.</p> <p>Feb '22: Decisions on the way forward are expected this year.</p>	Open	3	3	9	3	5	4	20	↔	Aug '24	Aug '23: Edited for transfer to new MAP.
SR26	Failure to prepare and respond to emerging public health incidents and crises	DPr	<p>There is a risk that the College fails to learn the lessons of COVID-19, and is unprepared for the next pandemic or public health crisis.</p> <p>To respond to this risk, the College needs to ensure that its Business Continuity Plans adequately address the need to maintain a state of preparedness for an as yet undefined public health emergency, and must be ready to respond quickly and decisively to the first signs of an emerging issue.</p>	<p>Aug '24: As per SR16, the business continuity desktop exercise was delivered in May 2024. The recommendations will be implemented as part of the planned review of business continuity, with an unannounced exercise thereafter.</p> <p>Jan '24: To support our preparedness and responsiveness to public health crises and incidents, as detailed in SR 16, a review of Business Recovery Plans was completed in January 2024. A desktop exercise is currently being planned for the Spring.</p> <p>Aug '23: The College responded well to the many challenges of COVID. It is important that the lessons learned be captured and that the College consciously and deliberately maintain its preparedness for future public health emergencies. This risk replaces SR25.</p>	Averse	5	2	10	5	5	5	25	↔	Aug '24	Aug '23: New risk added to replace SR25.