

## Audit and Assurance Committee Meeting

Date of Meeting	Tuesday 14 January 2025
Paper Title	Review of Assigned College Risk Registers
Agenda Item	12
Paper Number	AAC2-H
Responsible Officer	Jim Godfrey, Finance & Resources Director
Status	Disclosable
Action	For Noting

### 1. Executive Summary

1.1. This paper provides a review of the risk registers of the assigned colleges.

### 2. Recommendations

2.1. The committee is invited to **note**:

- The latest risk registers of the assigned colleges were recently reviewed by the audit committees of the colleges.
- The latest risk registers of the three colleges have been provided to, and reviewed by, the GCRB Finance & Resources Director.
- There has been a general downward trend in the assessment of risks with the number of high risks reducing significantly.

### 3. Background

- 3.1.** The management of risk is an important issue for GCRB in respect of its systems of internal control. Extensive work has taken place to further develop, and enhance, GCRB's arrangements in respect of risk.

### 4. Report

- 4.1.** The colleges send a copy of their most recent risk registers to the GCRB Finance & Resources Director on a regular basis.
- 4.2.** The format of this report includes the high, and medium, level risks identified by the colleges. These are summarised in the Annex to this report. Within the annex the high risks are shown in bold text against a darker background. Additionally, a small arrow is shown against each risk to indicate whether the college believes this risk is increasing, decreasing or remaining the same.
- 4.3.** The risk registers have been reviewed and the following observations are made:
- The timing of audit committees means that the (assigned college) risk registers are currently being considered by Boards and therefore may change.
  - The risks are those identified by the individual colleges relating to their strategic plans. As such, there will be some risks that are particularly important to one college.
  - There are many risks that are common to all colleges e.g. financial sustainability, funding, employee relations and cyber security. Risks have been grouped together within Annex A and these risks also feature in the GCRB risk register.
  - Some of the risks facing the colleges are impacted by factors that are outside the direct control of the college.
  - The risks, shown in Annex A, are the residual risks i.e. after the colleges have implemented mitigating actions. The highest residual risks, shown in the annex, are those that the colleges have assessed as having a residual risk of 12 or more<sup>1</sup>.
  - The key issues identified are:
    - The number of risks assessed as 'high' has reduced significantly, from 18 to 8
    - Issues around people have reduced, in part due to the settlement of historical pay disputes.
    - Risks relating to financial sustainability continue to dominate and represent a common theme across all three colleges. However, the assessment of these risks pre-dates the Scottish Government's budget in early December 2024.
    - There has been a downward trend in the assessment of several risks, with only one risk increasing. This is the risk relating to the management of physical and digital assets at City of Glasgow College.

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<sup>1</sup> All 3 colleges, and GCRB, are using the same basis for risk assessment i.e. likelihood and impact are evaluated on a scale of 1 to 5 and multiplied together. Residual risks (with a score of 12 to 15) are shown in the lighter shade in the annex with the highest risks (with a score of 16 or higher) are shown in the darker shade.

## **5. Risk and Compliance Analysis**

**5.1.** The key risks, relating to each college, are set out in the body of the report. Some of these risks are specific to an individual college but, as can be seen, many risks are common to all colleges and the risks facing the Glasgow college region. This report also informs the GCRB risk register.

**5.2.** There are no legal implications arising from this report.

## **6. Financial and Resource Analysis**

**6.1.** There are no direct financial implications as a result of this report. The quarterly review of college risk registers, and reporting to the GCRB Audit and Assurance Committee, is undertaken by the GCRB Finance & Resources Director.












## **7. Equalities Implications**







**7.1.** There are no equalities implications arising from this report.

## **8. Learner Implications**

**8.1.** Several risks have the potential to impact on the learner experience. The management of these risks is a core element of the college strategies.

**8.2.** Through the conditions of grant, associated with the regional outcome agreement, GCRB is required to conduct its affairs in accordance with the expected standards of good governance, which include establishing appropriate arrangements in relation to risk.

	City of Glasgow College December 2024	Glasgow Clyde College November 2024	Glasgow Kelvin College November 2024
Financial sustainability	Failure to agree a sustainable model/level of regional funding. 	Failure to manage college financial sustainability through period of financial plan. 	Inability to secure appropriate level of funding to deliver objectives. 
	Failure to manage performance and achieve improved performance. 		
	Failure to secure sufficient capital investment. 		
	Failure to achieve operating surplus. 		
	Failure to maximise income through diversification. 		
	Failure to obtain funds from the City of Glasgow College Foundation. 		
People	Failure to attract, engage and retain suitable staff. 	Implications of national bargaining and possible negative impact on employee relations. 	
		Risk of not having culture of effective, capable leaders who are motivated and have ability to take staff with them. 	

	City of Glasgow College December 2024	Glasgow Clyde College November 2024	Glasgow Kelvin College November 2024
Students			Negative impact of ChatGPT or other AI means to undertake course work and assessments. 
Continuity	Failure of business continuity. 	High impact business continuity incident for college e.g. cyber-attack, pandemic, fire, long-term power loss, power rationing. 	A widespread cyber-attack breaches college defence. 
Learning Spaces	Failure to manage strategic, physical and digital assets and infrastructure effectively. 	Failure to maintain and develop appropriate accessible, dynamic, flexible learning and social spaces. 	
College Strategy			Being forced into a position that it against our vision and mission e.g. a single governing body for Glasgow. 