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Curriculum, Quality & Student Experience Committee

BORDERS COLLEGE REGIONAL BOARD

Subject: Strategic risk register update	**Purpose:** **For Approval** ☐ **For Discussion** ☐ **For Information** ☒
Prepared by: Anne-Marie Sturrock - Vice Principal – Student Experience	**Date of Committee:** 16 February 2023

Purpose: To present to the Committee the current strategic risk register and to provide an update on the planned activities previously identified.

Executive Summary:

Identifying and managing risk is a corner stone of effective management and good governance. The strategic risk register was developed through a period of engagement with Board Members and with the Senior Leadership Team. The framework and register was approved by the Board on 17 June 2021.

This report provides an update on the strategic risks and progress on the planned activities identified to further mitigate the risks. Each risk is assigned to a Committee for scrutiny. The risks assigned to the CQC are as follows:

1b – COVID Impact
1c – Learner needs
3c – Cybersecurity – protect from cyber risk

The table below summaries the current risk profile for all the risks and the full details for each risk are shown in appendix 1.

	Risk theme	Target	Rating
Customer / Student	1a Delivery model - changes to political environment	6	6
	1b Alumni skilled, resilient and agile – impact of COVID	4	4
	1c Alumni skilled, resilient and agile – practice reflects need	6	6
Financial	2a Financial plan and in year targets	6	16
Internal process/ compliance	3a Maximize technology deployment	6	6
	3b Breakdown in internal controls	6	6
	3c Protection from cyber risk	10	12
Organisational capacity	4a Motivated, engaged and capable staff	4	6
	4b Inadequate governance arrangements	2	2
	4c Turnover in Executive team	2	4

Key items:
There has been no change to the rating for the two risks assigned to the Audit Committee. The progress for the planned activities is shown fully in appendix 1 for each risk. Key activities are summarised below

No	Risk	Planned activity progress
1b	COVID Impact	All planned activities are complete. Continue to monitor guidance and advice
1c	Learner Needs	New IT service desk launched. Appointment of BCSA student support officer and 3 paid Vice President posts complete Various student activities undertaken to provide support for cost of living crisis. Guide to Curriculum meetings developed to support CLM's with the quality check process

Questions that Members should ask themselves when reading the paper:
Has reasonable progress been made for the planned activities and do these further mitigations reduce the risk?
Are there any additional activities which should be undertaken or any additional risks not contained in the risk register?

Linked to Strategic Ambition(s):
Take a leading role in enabling an inclusive, resilient and sustainable Scotland

Choose an item.
Performance Measures: All
Choose an item.
Choose an item.

Linked to Strategic Risk Register: All risks encompassed
Choose an item.
Choose an item.

Recommendation:
Members are asked to:
- Review the register and assurances provided.
- Endorse the current status of risks, actions and linked performance review.

Previous Committee Approvals:
Regional Board - 01/12/2022
Finance & General Purpose – 17/11/22
Audit – 09/02/23

For publication ☒	**Not for publication** ☐ **If not, why not?**

Customer perspective (external partners)

1a Major changes / opportunities in socio political environment				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Significant funding / resources available from partnerships	Lack of clarity regarding future funding			
Partnership and driving value for money	Potential changes in priority areas			
Major changes in political environment e.g. Brexit, new	Uncontrolled variability in funding streams			
	Tertiary sustainability (SFC review)			
Existing controls	**Planned activity**	**Responsible**	**Date**	**Update**
Liaise strategically with funding bodies e.g. SOSE, Borderlands, City Deal, Community Renewal Fund	Work with interested college/university partners	Execs	Dec-22	Community Renewal fully implemented and final funding claim submitted. Work with Partners to assess further funding opportunities as they arise
Political lobbying for growth and fair funding	Principal meeting with and writing to political figures	Principal	Jan-22	actively engaging with SFC, politcal figures and College Development Network.
Liaise with policy forum - Principals Group, Colleges Scotland, SFC	Diversifying funding streams	SLT	Jul-22	Actively contributing to all funding discussions with SFC and attending regular meetings for funding updates
Developing customer relationships	Investing in future products and delivery models to weather storm of changing priorities	Director of EBI	Nov-22	Procurement process did not result in a solution which met the needs of the college. Further discovery taking place to determine whether existing software will provide the functionality required. Implementation date of later in 2023.
Performance measures	**Tolerance level**			**Current position**
Apprenticeship starts up 33%	+/- 5% of contract level			on target
Increased funding from varied sources	Not meeting budget			on target
Employer satisfaction 100%	Not meeting non SFC target			on target based on latest survey Sept 2022
Advancement of service delivery in priority areas	Drop in employer satisfaction			on target via Flexible Workforce Development Fund

Owner	Scrutiny	Impact	Likelihood	Status
Principal	Board	3	2	No change
		Overall score (as is)	6	
		Strategy and appetite	TREAT (6)	

Customer perspective (Covid19 impact)

1b Profound impact of COVID19 on delivery and student achievement				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Beyond level zero - flexibility for online and on campus	High level of concern at national level - may need to reduce activity			
Expect the average to be 2 days in college and	potential disruption due to isolation and illness of			
Lecturing staff ability and desire to redesign	Uncontrolled variability in funding streams			
Received funding to cover Covid costs	Low number of deferrals - 500 credits at risk due to deferrals - nothing else to add			
Existing controls	**Planned activity**	**Responsible**	**Date**	**Update**
Apprentices will add missed activity into this year	Additional hours and proposal to SQA for skills tests for missed evidence from VQ	APs	Complete	With regards to COVID apprentices will be complete by the end of this academic year.
Effective use of timetabling	Use of new MIS offers greater planning and tracking and monitoring functionality	APs	Complete	Weekly support sessions have been set up for CLMs to meet with MIS staff.
Management of staffing	Contingency planning for material levels of absence	SLT	Complete	
Performance measures	**Tolerance level**			**Current position**
number of deferrals	No COVID deferrals into 2022/23			no deferrals expected

Owner	Scrutiny	Impact	Likelihood
VP Student Experience	Curriculum and Quality	2	2
		Overall score (as is)	4
		Strategy and appetite	TOLERATE (4)

Status:
No change

Customer perspective (learners)

1c Ability to proactively engage with our community and stakeholders to ensure our practice reflects their needs					Feb 23
Positive uncertainty – opportunity		**Negative uncertainty – threat**			
Learners are enrolled to target in appropriate courses and		If positive outcomes are not achieved, successful destinations			
Wrap around support requirements are met		Complaints due to expectations not met			
Hierarchy of needs met - funding, support and safety		Uncontrolled variability in funding streams			
BCSA to provide vibrant community		Travel difficulties preventing engagement			
Assisted technologies provided to improve engagement		Poor connectivity, multiple people in home - inappropriate learning environment - home or schools			
Collaborate with local providers of support					
Further develop MH support - with local orgs		Non attendance			
Cost of living crisis		Students may have no alternative but to leave college			
Financial forecast of College		Constraints towards funding of all curriculum areas			
Existing controls		**Planned activity**	**Responsible**	**Date**	**Update**
Curriculum planning and marketing		Investment in eLearning and quality standards for delivery, closer alignment to Skills needs	AP Q&D	Complete July 2022	
Support through achievement coaches, course tutors, CLMs		Use tracking and monitoring through ProSolution	CLMs	Complete	Weekly support sessions have been set up for CLMs to meet with MIS staff.
Responsive support services - Student Support, MH, Student Finance, FM and ISLT, Union		Promote service management approach	VPF&CS	Jun-22	Halo service desk launched successfully on 14/11/22 for IT & FM. All other support services to be onboarded by June 23
Student experience committee		3 times a year meet, and implement action plan	APs & Dir SSS	ongoing	Appointment of BCSA student support officer Jan 23 & 3 paid vice president post. Student Experience committees reinstated . Next meeting is 27/02/2023. Initiatives commenced Jan 23, Breakfast club, food banks, clothing recycling etc.
Campus Management Committee/Sustainability committee		BCSA to co chair a workstream on behaviour	BCSA President	ongoing	on hold until new student reps are fully trained and established.
Feedback mechanisms - local, BCSA, national		Equalities, Enhancement plan, application and enrolment	APs	ongoing	4 year equalities plan in place, strong progress, report to c&QC
Quality check points		Implement action plan	APs	ongoing	Guide to Curriculum meetings developed to support CLM with the quality check process
Student support services pastoral and finance, MH service		Mental Health action plan	Dir SSS	Jul-22	Being updated reported to C&QC
BCSA support , MH Agreement with SA		Recruitment to MH team	Dir SSS	Complete	
Allocation of hardship / discretionary funding		Targeted engagement and communication with students	Dir SSS	ongoing	Cost of living allowance paid from Discretionary to eligible students in Dec 22. Students in hardship being supported to access Discretionary Fund. Various initiatives to help address cost of living crisis implemented
Performance measures		**Tolerance level**			**Current position**
% of students with positive destinations		less than 85%			On track for credit target (Jan 23) Early withdrawal decreased from previous session . Overall KPI remain higher than sector average
Retention rates		decreasing trend and /or less than national average			Early withdrawal level below predicated.
Student progress		decreasing trend and /or less than national average			student success rates benchmarked against the rest of the sector for 2020/21 - out performed the sector in every category & in top quartile of all colleges in Scotland
Student satisfaction		decreasing trend and /or less than national average			Appointment of BCSA student support officer & 3 paid vice president post. Student Experience committees reinstated meeting Feb
Credits used		less than 95% of allocation			Predicted achievement of credits for 2022/23
Quality of Learning and Teaching Assessments					reported to Learning & Teaching Committee 1/2/23, improvement demonstrated compared to 2021/22
Student survey - 50 % response rate		decreasing trend and / or less than national average			Survey 1 launched, ends 3 February. Good responses to date
Out come Agreement measures		decreasing trends			on target
Equality measures		achievable targets not met			KPI's being monitored to be reported curriculum & equality in Feb and Regional Board in March.
Owner	**Scrutiny**	**Impact**	**Likelihood**		**Status:**
VP Student Experience	C&Q Committee	3	2		no change
		Overall score (as is)	6		
		Strategy and appetite	TREAT (6)		

Financial perspective (financial stability)

2a Long term variability in spend and /or insufficiency in income streams leading to financial instability				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Maximise opportunities for commercial funding	Loss of funding streams, insufficient income to deliver future model			
Bid for project funding to lever major changes in College	National bargaining drives pay costs upwards without			
Additional in year allocations to advance College service provision	Uncontrolled variability in funding streams			
	No growth in SFC main grant in aid			
COVID19 restrictions ease such that excess spend reduces and commercial and community delivery can resume	Return to variable grant in aid income may result in threat to financial performance			
Existing controls	**Planned activity**	**Responsible**	**Date**	**Update**
3 year financial plan through FFR	Integrated planning approach	VPF&CS	Complete	
Savings targets	Model impact of scenarios	VPF&CS	Complete	
Budgetary control and management accounts system	Push out to 5 year plan	Dir Finance & Procurement	Jun 23	Timetable for 2023/24 budget plan developed to include information from Pro-solutions and impacts for future years
Treasury management of debtors creditors and cash	Refresh KPIs and implement targets for P2P	Dir Finance & Procurement	Mar 23	Review of procedures 80% complete. Strong rating given by internal audit.
Capital funding	Retain capital receipt - agree with SFC	VPF&CS	Complete	
Performance measures	**Tolerance level**			**Current position**
Variance from budget	5%			Budget monitoring in place.
% non SFC income	less than 15%			on target
Staff costs as % of total costs	less than 67%			Awaiting outcome of pay negotiations
Cash days	less than 31 days			24 days December 22 - Core cash
Creditor payment days	increasing trend within 30 days			73% within 30 days
% savings delivered	less than 75% achievement			Savings being monitored and will form part of Business review reports

Owner	Scrutiny	Impact	Likelihood	Status:
VP F&CS	F&R Committee	4	4	no change
		Overall score (as is)	16	
		Strategy and appetite	TREAT (6)	

Internal process perspective (information management)

3a Inadequate IT and information management and security leading to information breach, excess costs and service unavailability				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Good information and data management supports day to day delivery and data analytics will lead to improved decision making and service delivery	Breaches of Data Protection – loss of information, potential regulatory action and reputational damage			
Strong IT services and provision will enable efficient working practices and enable remote working	Unacceptable unplanned downtime leading to loss of service or data			
Existing controls	**Planned activity**	**Responsible**	**Date**	**Update**
Data analytics - stage of development	Develop and Implement action plan for deployment of analytics	Dir MIS & E Learning	Nov 22	Prometrics fully implemented and integrated
IT management controls	Rebrand as IT Service, with service management culture and formal change management processes	Dir IT & Digital	Nov 22	Halo service desk launched successfully on 14/11/22 for IT & FM. All other support services to be onboarded by June 23
Performance measures	**Tolerance level**			**Current position**
Positive audit outcomes	no high risk issues			Audit recommendations being monitored
IT Service performance reporting	no high impact business continuity issues			no high impact issues
DP events	no more than 5 data events annually			3 breaches with the current year.
Maturity of data analytics	Assessed availability of data to service managers			Prosolutions implementation complete.

Owner	Scrutiny	Impact	Likelihood
VP F&CS	Audit Committee	3	2
		Overall score (as is)	6
		Strategy and appetite	TREAT (6)

Status:
no change

Internal process perspective (internal financial controls)

3b Potential breakdown in internal financial controls leading to loss of funds / excess costs / fraud				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Strong and efficient internal financial controls will improve efficiency and effectiveness, and deliver value for money	Weak or missing internal financial controls may not prevent or detect attempts at fraud			
Effective management of senior finance capacity will enable redesign and improvements in processing, thus reducing rework and enabling good financial control	Workload pressure may cause capacity constraints for process redesign, reviewing financial position, analysis and projections			
Existing controls	**Uncontrolled variability in funding streams**	**Responsible**	**Date**	**Update**
Financial Regulations, Finance Manual, Anti Fraud and Anti Bribery Policies, Procurement Policy, Fee Policy, Internal Audit	Complete review of finance procedures, prioritise purchase ledger and fixed assets, if workload demands are too high	Dir Finance & Procurement	Mar 23	Strong rating from Internal Audit. Review of procedures 80% complete.
	Improved fixed asset management	Dir Finance & Procurement	Jul 23	Process being reviewed and in discussion with Auditors
Internal and External audit recommendations	Ensure completion of audit action points, prioritising fixed asset controls and impairment	VP F&CS	Jul 23	Monitoring report presented to Audit Committee
Performance measures	**Tolerance level**			**Current position**
Positive audit outcomes	only low risk IA issues - 2 significant deficiencies in external audit - priority to address			Reviewing post 2021/22 audit for 2022/23 annual accounts
Material delay in implementing audit action plan	Both longstanding significant deficiencies to be clear for 2021/22 accounts			
Serious breach of financial regulations	no reported issues			no reported issues

Owner	Scrutiny	Impact	Likelihood
VP F&CS	Audit Committee	3	2
		Overall score (as is)	6
		Strategy and appetite	TREAT (6)

Status:
No change

Internal process perspective (cyber security)

3c Inadequate measures in place to minimise severity of a cyber attack and inability to respond timeously to lack of systems and / or data				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Strong IT services and provision will enable efficient working practices and enable remote working	Cyber attack - complete loss of data and service			
Existing controls	**Planned activity**	**Responsible**	**Date**	**Update**
Cyber Accreditation, Cyber Technical Risk	Complete implementation of action plan	Dir IT & Digital	Complete	
	Move to datavita backup as a service, and	Dir IT & Digital	Complete	
	Disaster recovery and fail over test	Dir IT & Digital	Complete	
	Implement O365 backup	Dir IT & Digital	Complete	
	Implement cyber security insurance	Dir IT & Digital	Complete	
Staff and student training	Implement comprehensive suite of staff and student training and awareness including exercise in a box programme	Dir IT & Digital/Dir People Services	Jul 23	JISC information received regarding Staff training and cyber exercises. Discussions to be held with Exec team regarding timings and budget.
Board awareness	Briefings for audit committee and Board	VPF&CS	Complete	
	Compile response to 16 questions for	Dir IT & Digital	Complete	
Performance measures	**Tolerance level**			**Current position**
Unplanned downtime	no significant episodes			no significant events
IT Service performance reporting	no high impact business continuity issues			no high impact issues

Owner	Scrutiny	Impact	Likelihood
VP F&CS	Audit Committee	4	3
		Overall score (as is)	12
		Strategy and appetite	TREAT (10)

Status:
no change

Organisational capacity perspective (staffing)

4a Staff are not motivated, engaged or capable — Feb-23

Positive uncertainty – opportunity	Negative uncertainty – threat
Continuing to gather and use engagement info through GPTW	Not being able to attract the right individuals
Wellbeing and mental health initiatives	Insufficient HR staff to support recruitment
Covid impact on turnover	Covid impact on turnover
Increasing access to funding for training posts MAs/interns	Over reliance on short term posts could destabilise
Funding for suitable training	Is training meeting our needs
National bargaining paying rates above average for region	Results delayed so long - staff uncertain about outcomes

Existing controls	Planned activity	Responsible	Date	Update
HR policies and procedures, HR Manual	Monitoring of KPIs	Dir People Services	ongoing	process is embedded into reporting cycle
Workforce strategy	Annual review of performance against measures	Dir People Services	Complete	process is embedded into reporting cycle
GPTW	Extension for 3 years, action plan in response, 2 areas of concern	Dir People Services	Complete	
NJNC involvement	Involvement in national pay and grading group	Dir People Services	Ongoing	embedded into job role
JCCP and local NJNC, Wellbeing Group	Informal meetings staff side, Principal and Director of People Services	Dir People Services	ongoing	Facilities time at a national level impacting ability to close off
H&S Committee	Agile workstation assessments, all training up to date	H&S Manager	Complete	
F&R oversight	Report to every meeting	Dir People Services	ongoing	Dir of People services a standing item on F& Resources agenda
SPDR reviews - interim and annual	100% target - monitor through dashboard	WLT	Complete	process is embedded into reporting cycle
Staff contingency arrangements	Consideration of scenarios for loss of staff due to pandemic flu, Temporary arrangements to cover critical staff absence or recruitment challenges.	IMT	complete	

Performance measures	Tolerance level
KPIs - turnover, sickness	turnover > 7%, absence > 10%
Staff satisfaction	reduction of 2%
GPTW survey and action plan	Actions not completed by end of reference period
Completion rate Agile	less than 100%
Completion rate SPDR	less than 100%
Performance measures from workforce strategy	Actions not completed by end of reference period

Owner	Scrutiny	Impact	Likelihood
Head of HR	F&R committee	2	3
		Overall score (as is)	6
		Strategy and appetite	TREAT (4)

Status:
No change

Organisational capacity perspective (inadequate governance arrangements)

4b Staff are not motivated, engaged or capable				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Brings a wider expertise - options	Not a balanced view			
Staff and students have assurance	Ineffective engagement of non executives			
Positive reputation	Executives dominate conversation			
Can rely on committee assurance	Not being provided with enough (or too much info)			
Right information at right time will enhance decision making	Unable to gain assurance			
Confident and collaborative dialogue	Members do not comply with code of governance			
New board members	New board members			
Workplan for efficient and effective working	Inability to recruit			
Attend committees to gain information	Not given advice on options available			
Existing controls	**Planned activity**	**Responsible**	**Date**	**Update**
Standing orders	Governance admin review including admin support	Board Sec	Mar-22	
Code of conduct	Development and enhancement plan	Board Sec	Jul-22	
External evaluation	Process of new appointment of internal auditors	VPC & CS	Jul-24	Contract in place until July 2024.
	Chairs of committees and new Execs	Board Sec	Nov-22	Revised Terms of References approved 1 Dec 22
Self evaluation				
Appraisals of members				
Board Secretary report to Board				
Board Secretary - independent				
Performance measures	**Tolerance level**			
External evaluation	Weak outcome			
Internal audit	Weak outcome			
Self evaluation	material drop in ranks			

Owner	Scrutiny	Impact	Likelihood
Ingrid Ogilvie	Board	1	2
		Overall score (as is)	2
		Strategy and appetite	TOLERATE (2)

Status:
No change

Organisational capacity perspective (turnover in Executive team)

4c Staff are not motivated, engaged or capable				Feb-23
Positive uncertainty – opportunity	**Negative uncertainty – threat**			
Key priorities to be embedded before leaving	Knowledge loss - you don't know what you don't know			
Progress with business case for land-based	Loss of strategic relationships			
New strategic thinking about direction of travel	Staff confidence and concern			
	Gap in governance - arrangements for acting principal			
	Risk to stability of financial position			
Existing controls	**Planned activity**	**Responsible**	**Date**	**Update**
Existing strategic direction - strategies and priorities	Identify priorities / individuals to transition to new posts		completed	
Staff communications	Communications from Board through Ray, Angela		completed	
Strategic contacts	Make introductions to other members of team		completed	
Appoint someone who has value base consistent with BC	Nominations committee to recommend appointment		completed	
Gap filling approach	Nominations to decide re acting		completed	
	Consider temporary change of portfolios to reduce risk		completed	
MS Teams ownership and membership	Add additional owners		completed	
Staff engagement and management of disputes	Continued staff engagement e.g. 3 week meet, resolve two disputes	Dir People Services	Feb-23	One dispute resolved one outstanding
Strong track record in relation to governance support	Review and potentially strengthen governance support		completed	
Performance measures	**Tolerance level**			

Owner	Scrutiny	Impact	Likelihood
	Board	2	2
		Overall score (as is)	4
		Strategy and appetite	TOLERATE (2)

Status:
no change