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BORDERS COLLEGE REGIONAL BOARD

AUDIT & RISK COMMITTEE

30 November 2023

Strategic Risk Register update

1.0 PURPOSE OF PAPER
For discussion

1.1 The purpose of this paper is to provide the Committee with an update on the Risk Framework, the Strategic risk register and progress on the agreed actions.

2.0 EXECUTIVE SUMMARY

2.1 Following the Board approval at the Board development day on 9th November the current Risk Framework requires to be updated. The draft Framework will be table at the Committee meeting on 8th February 2024.

2.2 The full revised strategic risk register is contained in Appendix 1, detailing the assigned Committee, risk appetite and progress on the agree actions.

2.3 All risks, other than 3.4 are currently within or below the agreed appetite levels. Agreed actions for 3.4 are being progressed.

3.0 RECOMMENDATION(S)/ACTION(S) REQUIRED

3.1 It is recommended that the Committee: -

3.1.1 Note the draft revised Risk Framework will be tabled at the 8th Feb meeting

3.1.2 Note the current strategic risk register and progress of the agreed actions.

4.0 BACKGROUND

4.1 The Terms of Reference for the Audit and Risk Committee require the Committee to:

"To monitor and ensure the effectiveness of the College Strategic Risk Register, the Risk Management Framework and the College approach to risk assessment and risk appetite, undertaking reviews as appropriate, and to oversee and approve revisions of, and amendments to, the College Business Continuity Plan"

4.2 Identifying and managing risk is a corner stone of effective management and good governance. The revised strategic risk register was developed through

a period of engagement with Board Members and with the Senior Leadership Team. The Board development day on 9th November agreed the revised format of the risk register and the Committees responsible for scrutinizing and monitoring progress on the agreed actions for each risk.

4.3 The Board agreed risk appetites for each of the identified risks. The table below provides details the parameters for each risk appetite category:

Risk Appetite	Description	Risk Appetite Score
Averse	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is key objective. Activities undertaken will only be those considered to carry virtually no inherent risk.	Lower than 7
Minimal	Preference for very safe business delivery options that have a low degree of inherent risk with the potential for benefit/return not a key driver. Activities will only be undertaken where they have a low degree of inherent risk.	between 7 -9
Cautious	Preference for safe options that have low degree of inherent risk and only limited potential for benefit. Willing to tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives, where we have identified scope to achieve significant benefit and/or realise an opportunity. Activities undertaken my carry a high degree of inherent risk that is deemed controllable to a large extent.	between 10 - 14
Open	Willing to consider all options and choose one most likely to result in successful delivery while providing an acceptable level of benefit. Seek to achieve a balance between a high likelihood of successful delivery and a high degree of benefit and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.	between 15- 19
Hungry	Eager to be innovative and to choose options based on maximizing opportunities and potential higher benefit even if those activities carry a very high residual risk.	20 and above

5.0 RISK FRAMEWORK

5.1 The current risk framework was approved by the Board on 17 June 2021.

5.2 The framework requires to be amended to reflect the revised format and management arrangements agreed by the Board. A revised framework will be presented to the Committee for review on 8th February prior to submission for approval by the Board.

6.0 RISK REGISTER UPDATE

6.1 Following the Board development day there are no risks assigned to the Audit and Risk Committee. The full risk register is contained in Appendix 1 detailing the agreed Committees responsible for scrutiny and monitoring progress of the agreed actions.

6.2 The Finance and Audit Committee, at the meeting on 30 November, will review and monitor progress on the actions for the risks assigned it.

6.3 Progress has been made on the actions agreed by the Board and these are detailed in Appendix 1.

6.4 The Senior Leadership Team has fully reviewed the risks and progress of actions on 20th November 2023. No new risks have been added to the strategic risk register following this review.

6.5 All risks other than 3.4 are currently within or below the agreed risk appetite agreed by the Board with agreed actions progress to ensure the 3.4 is within the agreed risk appetite.

7.0 IMPLICATIONS AND CONSIDERATIONS

7.1 Financial Implications

There are no direct financial implications from the contents of this report
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7.2 Learner Implications

There are no direct learner implications from the contents of this report.

7.3 Staff Implications

There are no direct staff implications from the contents of this report.

7.4 Equality and Diversity Implications/Equality Impact Assessment

There are no direct equality implications from the contents of this report.

7.5 Sustainability/Environmental Implications

There are no direct sustainability implications from the contents of this report.

8.0 RISK COMMENTARY

8.1 The management of risks is an essential part of good governance for an organisation. The monitoring of risk is a key element of this management. This report provides the Committee with assurance that the monitoring of risks is undertaken and agreed actions to further mitigate risks are being progressed

9.0 CONCLUSION

9.1 The agreed actions for risks are being progressed. Monitoring of the register has been undertaken during the period by the Senior Leadership Team and Finance & Resources Committee for the risks assigned to them.

Kirsty Robb, Vice Principal Finance & Corporate Services

Previous Board or College Committee Approvals:

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Borders College Risk Register as at 23/11/2023

no	Risk	Causes/ Risk factors	Consequences/ Potential Effect	Risk Owner	Committee	Appetite	Existing Mitigation Actions	Likelihood	Impact	Score	Actions	Progress as at 23/11/23
	Financial Stability											
1.1	Commercial income targets not fully reached.	Availability of external grants lack of Employer demand lack of Student demand External training providers competing for same market	income targets not achieved resulting in budget deficit Costs incurred not fully covered by income resulting in losses Under utilization of permanent staff and resources Not meeting needs of community & employers Possible impact on credit targets Long term financial targets not achieved.	Dir Fin & Proc/ VP Finance & Corp Services	F&R	Open	Income targets set and monitored on regular basis Membership of National, local and sectors to identify potential funding sources Regular market research and communication with employers Regular Partnership working	3	3	9	TREAT - Increased monitoring and reporting of Non Core funding to SLT and F&R Committee - Identify new funding sources - Imbed commercial income into curriculum areas supported by DEBI	- New report developed as part of Business Review papers, to be presented to F&R Committee on 30 Nov 23 -Grantfinder implemented across college. -Commercial administration support to be provided by DEBI and process beginning to develop -additional funding for Employability Courses secured via SBC. -SPF Retrofit project commenced.
1.2	Delivery of College outcomes unaffordable	Strategic political policies Changes to SFC funding methodology & allocations Identified savings not achieved Loss of HWU rent/SLA income Unaffordable national pay awards Under utilization of estate	Possible reductions in funding and credits reduction could result in deficit position Unable to deliver to the level required by students and employers Long term Financial targets not achieved Adverse impact on reputation of College Possible staff losses	Dir Fin & Proc/ VP Finance & Corp Services	F&R	Cautious	Budgetary monitoring process in place Membership of CDN networks Regular contact with SFC and outcome agreement manager Working with Colleges and CES to lobby Regular reporting to SLT and F&R Committee Partnership working with HWU	4	3	12	TREAT - Develop 3 year budget setting - Increased monitoring and reporting of savings target - Undertake increased liaison with HWU for future estate use - Savings monitor report to be developed for SLT - Agree KPI's for Board and F&R reports	- revision of F&R reports is complete for Q1 budget review, to be presented to F&R Committee 30 Nov 23. - KPI's for the Board and F&R presented to Board on 26 Oct. - 2024/25 Budget timetable/process being finalised
	Student Experience											
2.1	Student application numbers low	Curriculum doesn't meet student demand Poor or inadequate teaching and student social spaces Course offer not matching employers demand Changes to course requirements Reduced demand for traditional trades/careers New technology resulting in new trades/careers lack of student transport Changes to SFC Guidance	Reduced student applications adverse impact of reputation Lower success rates Loss of students to other providers Failure to meet ROA targets Financial clawback of SFC grant Failure to meet needs of the economy Reduced commercial income due to relevance of commercial courses Not meeting Community and employers needs	VP Student Experience	CQSE	Cautious	Working with schools , DYW & universities to establish learner pathways that meet students, employers and regional need Use DATA supplied by SDS on Senior Phase pupils career routes to influence the curricular offer Strategies to support students to become successful learners imbedded in all areas Employers forums in place Marketing action plan in place Work with SBC for transport planning Monitoring labour market information to inform curriculum planning Early withdrawals monitored regularly	2	3	6	TREAT -Further development of Employers forums across all curricular areas . -Further development of curriculum planning process -Develop further use of DATA -Implementation of Pro-monitor for student support needs -Implementation of aligned student support services structure. -Increase ownership of DATA across the College	- Short life working group for schools academy developing offer for next year - Re-establishing schools-college coordinators group to provide ongoing dialogue in relation to transitions etc. - Meeting with transport to improve services - DOSSS representing Borders College on Strategic Action Group for Transport (SOSE) - Pro-monitor implementation complete for student support

no	Risk	Causes/ Risk factors	Consequences/ Potential Effect	Risk Owner	Committee	Appetite	Existing Mitigation Actions	Likelihood	Impact	Score	Actions	Progress as at 23/11/23
2.2	Students are not adequality supported to enable them to complete their studies	Lack of support staff Poor access and signposting to support staff Increase demand for support services	Poor student experience Lower success rates Increased early withdrawals Increase student behaviour issues Increased absenteeism	Dir Student Support Services	CQSE	Cautious	Transition support of mental health issues is being funded 23/24 Induction activities Quite induction Partnership working with Student Association Partnership with 3rd sector Robust tracking and monitoring of issue including attendance	3	3	9	TREAT -Implementation of Pro-monitor for student support needs -Implementation of aligned student support services structure.	- Restructuring of Student Support Services to bring all pastoral staff into one department - Partnerships with external mental health services in progress - A suite of training is planned and being delivered to student services team members - Quiet induction was successful with high retention levels for all student attendees and excellent feedback. Continue to develop for future years. - Currently developing a regular forum for BCSA to communicate ideas, opportunities and feedback to student services managers. - Pro-monitor implementation for student support complete.
	Objectives/Strategies											
3.1	College does not meet its sustainability targets	Cost and availability of technology Culture of organisation Changes to legislation Lack of funding	Environmental impacts Adverse risk to reputation of College Failure to meet needs of customer base through carbon training/carbon literacy Financial impacts	Dir Estate & Facilities/ VP Fin & Corp Ser	Board	Open	Sustainability Strategy Regular progress reporting Sustainability Committee Carbon emissions data monitoring Membership of the Central and South Scotland College partnership with EAUC	2	3	6	TREAT -Develop further carbon reduction projects through sustainability workstreams - Identify and access available and future funding - Complete scoping works and funding application for decarbonisation of Campus through NDEEF - Establish Sustainability Champions	-Further carbons reduction projects being developed. -Scoping works and detailing planning for Galashiels complete, application process stalled due to lack of funding for Campus power network upgrade. -Application submitted for additional funding through NDEEF to secure PSU support in developing Hawick Campus decarbonisation programme. -Sustainability Champions buttons have been added to the staff and student portal to enable Sustainability Champions to add to discussion forums and share news and good practice
3.2	College unable to recruit, retain and maintain effective and skilled staff	Failed recruitments Low staff moral External competition Age profile of staff Pay awards Lack of succession planning	High staff turnover Inability to provide services due to staff vacancies Strike action from staff High sickness levels Increased staff performance issues Poor student experience	Dir People Services	F&R	Cautious	Workforce Strategy Policies and Procedures, regularly reviewed Regular monitoring and reporting to F&R Committee Regular staff survey via Great Places To Work Staff Performance and Reviews carried out regularly	2	3	6	TREAT -Increased publicity around success -Improve profile of Great Place To Work - more staff involvement -Consider succession planning	-Good news stories being included in College magazine and social media. - Global Citizenship Awards for staff. -Staff Engagement Group being set up. 40th Birthday celebrations. -Action plan for GPTW in place to be reviewed in January.

no	Risk	Causes/ Risk factors	Consequences/ Potential Effect	Risk Owner	Committee	Appetite	Existing Mitigation Actions	Likelihood	Impact	Score	Actions	Progress as at 23/11/23
3.3	Closure/disruption/denial of access to site facilities	Power failure Fire Pandemic Power rationing/disruption Terrorist event Building defects	Business Interruption Impact on student outcomes Impact on ability to meet future obligations Potential loss of essential data Building defects cause building to be unsafe for occupation	Dir Estate & Facilities/ VP Fin & Corp Services	F&R	Minimal	Business Continuity Plan in place Active membership and participant of the Contest group Under regular statutory inspections Planned preventative maintenance Program Statutory training mandatory Fire test and evaluation tests undertaken Risk assessments undertaken Regular internal inspections Required Permits in place	2	3	6	TREAT -Improve awareness of Business Continuity Plan with staff group - RAAC survey work being undertaken	-RAAC Survey Completed, awaiting further remedial works detail from Structural Engineers to reduce risk to tolerable level. - Long term works will be required to either remove RAAC from premises or implement internal support structure to mitigate further risk.
3.4	Disruption or failure of IT/Digital services or infrastructure	Cyber attack Power Loss system failure Data breach Business interruption	Business Interruption Potential loss of essential data Impact on student outcomes Impact on ability to meet future obligations Adverse financial impact	Dir IT & Digital/ VP Fin & Corp Services	F&R	Minimal	Various technical controls in place for end users and infrastructure Cyber threat early warning notifications Server/Network Monitoring/Alerts Backup as a Service Disaster Recovery as a Service	3	4	12	TREAT -Network redesign to remove SBC as single point of failure -Network infrastructure refresh -End User Awareness Training	- Working with DataVita and JISC on network redesign to mitigate single point of failure at SBC. Update meeting planned for end Nov23. - Working with vendors on network refresh to discover potential costs which will determine procurement process. - Next step of end user awareness training planned for January
	Statutory Duties											
4.1	College breaches GDPR and/or data legislation	Non adherence or understand of GDPR legislation Lack of security for sensitive data Cyber breach	Adverse impact on reputation of College Penalties from Information Commissioner Office	VP Fin & Corp Services	Board	Averse	Dedicated DPO Regular reporting & Monitoring Investigations undertaken of any breaches Member of HEFETSTIS Mandatory staff training	2	4	8	TREAT -Additional training for staff on GDPR -Additional training/testing on cybersecurity	- GDPR updates being written for inclusion in future staff newsletters
4.2	College does not meet its PREVENT and Safeguarding duties	Non adherence or understanding of Prevent legislation Lack of staff awareness of their roles/responsibilities Possible terrorist incident Changes to legislation	Adverse impact on reputation of College Physical harm to staff and/or students Possible litigation Damage to buildings and/or equipment Harm to students/staff	VP Fin & Corp Services/ VP Student Experience	Board	Averse	Mandatory staff training SPOC identified Safeguarding officers identified Active members of National groups Partnership working with Lothian and Borders Colleges, Council and Blue light services Quarterly reporting to Health & Safety Committee Annual report to the Board Business Continuity Plan	2	2	4	TREAT -Additional PREVENT training for staff -Review content of quarterly and annual reports -Safeguarding Policy to be updated Nov 23 - T&C's for Commercial hires to be reviewed for PREVENT requirements	PREVENT training scheduled for 27th November to curriculum staff. - Safeguarding training to be circulated to all WLT, including Adult and Child Support and Protection training (Level 3). This will ensure a pool of managers are trained to respond to and address safeguarding incidents. - All members of the Student Services team will have completed 'Intro to Public Protection' training by summer 2024 - Safeguarding reporting migrating to HALO: approaching end of testing phase. This will improve visibility of safeguarding reports as they are submitted and enhance our ability to track and monitor cases.

no	Risk	Causes/ Risk factors	Consequences/ Potential Effect	Risk Owner	Committee	Appetite	Existing Mitigation Actions	Likelihood	Impact	Score	Actions	Progress as at 23/11/23
4.3	College does not meet its equality & diversity duties	Poor understanding of duties Culture of organisation Changes to legislation Fail to undertake statutory reporting requirements	Loss of students poor staff and student retention litigation Impact on Colleges reputation harm to staff/students Staff disciplinary	AP Curriculum & Quality/Dir People Services	Board	Averse	Mandatory staff training Annual equality reports to Equality & Inclusion Committee & CQC Bi-annual mainstreaming Equality reports to Board Active Student Association and student representation Student Experience Committee Equality outcomes set every 4 years by Board Ashco events and training provided to staff & students Equality impact assessment part of decision making process Equality diversity inclusion Policy Dedicated Equality Officer Safeguarding Officers identified	2	2	4	TREAT -Additional Training for all staff on Equality & Diversity -Mapping exercise of current College Outcomes to the national outcomes	- Recruitment of experienced and skilled EIA Office in progress following the promotion of current EIA Officer
4.4	College does not adhere to Health & Safety legislation	Poor understanding of duties Culture of organisation Changes to building regulations defects in estate	Injury to staff and/or students Impact on Colleges reputation Litigation damage to building and/or equipment Restricted access or closure of buildings	Dir Estate & Facilities/ VP Fin & Corp Services	Board	Averse	Dedicated H&S officer Mandatory staff training H&S assessments in place, Maintain reporting and monitoring structures to assess trends Effective risk assessment practices adhered to Heath surveillance programs in place Quarterly monitoring to H&S Committee Annual report to Board Active Partnership working Business Continuity Plan	2	3	6	TREAT -Review of quarterly and annual reports Increased training on risk assessment and first aid	Ongoing monitoring and management of H&S matters.- Training and First aid progressing.