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REGIONAL BOARD REPORT

Subject: Strategic Risk Register	**Purpose:** **For Approval** ☐ **For Discussion** ☒ **For Information** ☐
Prepared by: Pete Smith, Vice Principal – Finance and Resources	**Date:** 20 April 2017

Purpose: To discuss the College's Strategic Risk Register

Executive Summary:
The College's Corporate Risk Register (attached) was considered by the Senior Management Team (SMT) on 18 April 2017. SMT focussed on two risks: -

Risk 4b. While recognising that meeting commercial cash income targets remained challenging, the overall risk to the achievement of the Strategic Goal to "Grow our Business" was unchanged.

Risk 5d. While noting the declining school rolls in the Region, SMT felt that, with work ongoing to stimulate and respond to alternative demand, the overall risk to the Strategic Goal to "Build Sustainability" should remain unchanged.

Recommendation: Board discuss the Strategic Risk Register

Previous Committee Approvals: n/a

For publication ☒	**For publication with redactions** ☐	**Not for publication** ☐

Signed:

Author **Principal**

BORDERS COLLEGE STRATEGIC RISK REGISTER

Strategic Risk Appetite - MODERATE

Approved by: SMT
Date: 18/04/2017

Ref	Objectives and Risks	Risk Owner	Original Likelihood (1 - 5)	Original Impact (1 - 5)	Original Rating (max =25)	Current Controls	Current Likelihood (1 - 5)	Current Impact (1 - 5)	Current Rating (max =25)	Target Likelihood (1 - 5)	Target Impact (1 - 5)	Target Total (max =25)	Above/ On Target	Further Actions	Action Owner	Planned Action Completion Date
1	**Respond to the needs of our region - Risk Appetite - OPEN**															
1a	IF the SFC does not fund growth in the Scottish Borders, THEN the College will not be able to create new provision to meet demand.	Principal	4	4	16	Outcome agreement, engagement with SFC, development of business cases to support growth	4	3	12	3	2	6	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficency savings in order to invest in new provision.	SMT	Continuous
1b	IF partners do not engage successfully with the College, THEN the College will not be able to identify and meet their needs.	Principal	3	4	12	Engagement with Industry groups and other employers, local authority and schools, community planning partners, universities	3	3	9	3	2	6	Above Target	TREAT - Build on good reputation of the college to foster genuine partnerships and solutions to regional challenges. Continue to push positive PR re our successes.	SMT	Continuous
1c	IF College is not recognised by SSSA, THEN this will undermine College's role and remit as region's recognised skills provider.	Principal	2	3	6	Maintaining awareness of emerging issues with SSSA, active angagement with local authority by Principal / Chair	2	3	6	2	2	4	Above Target	TOLERATE - Co-ordinate approach with Dumfries & Galloway college	Principal/Board Chair	Continuous
1d	IF SFC/SDS funding is reduced, THEN the College will not be able to meet the demands of our stakeholders.	Principal	4	5	20	Engagement with SFC, Outcome Agreement Process, curriculum and business planning	3	4	12	3	2	6	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficency savings in order to invest in new provision.	SMT	Continuous
1e	IF national priorities conflict with local needs THEN the College may not be able to effectively meet Regional needs.	Principal	4	4	16	Outcome agreement, engagement with SFC, engagement with CPP and industry	3	2	6	2	2	4	Above Target	TOLERATE - Build on good reputation of the college to foster genuine partnerships and solutions to regional challenges. Continue to push positive PR re our successes.	SMT	Continuous
1f	IF Regional need is not properly articulated, understood and analysed, THEN the College will not be in a position to effectively meet that need.	Principal	3	4	12	Engagement with CPP, industry, other stakeholders	3	2	6	2	2	4	Above Target	TOLERATE - No further action		
1g	IF regional schools underperform, THEN learner outcomes may be adversely affected.	Principal	3	4	12	Engagement with local authority and schools to improve understanding of College opportunities and requirements, curriculum design	3	3	9	3	2	6	Above Target	TREAT - Consider collaborative partnerships and alternative delivery models to engage learners who do not meet baseline qualifications.	VP Curriculum	30/06/2017
1h	If EU-funded Credit activity is withdrawn, THEN the College may not be able to sustain activity levels	VP Curriculum	5	4	20	Outcome agreement, engagement with SFC, curriculum and business planning	5	3	15	5	2	10	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficency savings in order to invest in new provision.	SMT	Continuous
1i	IF the College is not recognised in City Deal, THEN funding could be diverted elsewhere	Principal	3	4	12	Engagement by Principal	3	3	9	2	3	6	Above Target	TREAT - Principal & Chair of the Board to work with West Lothian and Edinburgh colleges to ensure a collaborative response lobbying for colleges to influence decision making.	Principal/Board Chair	30/04/2017
1j	IF the review of the Enterprise agencies does not recognise the role of the college sector, THEN the College may not be sufficiently resourced to meet the needs of our Regional needs.	Principal	3	4	12	Maintaining awareness of emerging issues in review, active angagement by Principal / Chair	3	3	9	2	3	6	Above Target	TREAT - Continue engage in review, work with D&G College	Principal/Board Chair	Continuous
2	**Deliver successful outcomes for all our learners - Risk Appetite - OPEN**															
2a	IF learners' needs are not properly articulated when considering resource planning, THEN leaners may not achieve their desired outcomes.	VP F&R	3	4	12	Faculty councils, student feedback and engagement on College committees	2	3	6	2	2	4	Above Target	TREAT - Improve student engagement in resourcing decisions through user groups and committees. Ensure curriculum planning and resourec planning are fully integrated.	VP F&R	31/07/2017
2b	IF staff are not fully motivated and engaged in delivering the best learner experience, THEN students may not achive desired outcomes.	Principal	3	4	12	CPD and staff development, staff consultation, College meetings and briefings	2	3	6	2	3	6	On Target	TREAT - Continue to influence external policy on National Bargaining and Workforce for the future	Principal	Continuous
2c	IF employers do not engage successfully with the College, THEN the College will not be able to provide an appropriate curriculum to meet demand.	VP Curriculum	3	4	12	Employer engagement programme, industry groups	3	2	6	2	2	4	Above Target	TREAT - Build on relationship with newly formed DYW Industry Group and existing Employer Relationships. Promote our successes with Employers. Continue to explore a CRM system to capture all enquiries.	VP Curriculum/VP F&R	Continuous
2d	IF staff do not deliver teaching in methods that are engaging and effective, THEN students are less likely to achieve a successful outcome.	VP Q&I	3	4	12	Quality assurance, CPD and staff development, internal review, programme and block review, student feedback, faculty councils	3	3	9	2	3	6	Above Target	TREAT - Benefit from the new Education Scotland QA approach. Introduce an enhanced approach to classroom observation improving staff's reflective practice.	VP Quality & Innovation	
2e	IF students are not enrolled on the most appropriate programme, THEN they may be less likely to succeed.	VP Curriculum	3	4	12	Admissions procedures and interviews, programme review, learner success mentor, course tutors	2	2	4	2	2	4	On Target	TREAT - Continue to have clear entry requirements understood by those interviewing and suggest alternative provision when applicant doesn't match the course	VP Curriculum	Continuous
2f	IF student support funding is reduced, THEN learners may not be able to enrol on their preferred course of study or achieve their qualification.	VP Q&I	3	4	12	Outcome agreement, engagement with SFC, management, full utilisation and monitoring of SS Funds	2	2	4	1	2	2	Above Target	TREAT - Control expenditure through limiting essential course costs. Make application for additional funding through SFC redistribution.	VP Quality & Innovation	
3	**Provide a high quality College experience - Risk Appetite - MODERATE**															
3a	IF SFC does not provide sufficient capital maintenance funding THEN the quality of student experience will be reduced.	VP F&R	4	4	16	Outcome agreement, engagement with SFC, business cases for capital projects, resource planning	3	3	9	3	2	6	Above Target	TREAT - Create headroom in budget to allow for onggoing investment	VP F&R	31/07/2017
3b	IF significant numbers of learners decide to travel to study at other colleges, THEN learner choice will likely be reduced.	VP Q&I	3	3	9	Curriculum planning, marketing strategy, engament with schools and prospective learners, employers	3	2	6	2	2	4	Above Target	TREAT - Manage impact through curriculum planning. Analyse areas of loss to inform refresh of the curriculum. Coordinated planning with the schools. Adjust admissions policy.	VP Quality & Innovation	
3c	IF the Students' Association does not continue to be pro-active in engaging with the College, THEN the learner experience will likely be diminished.	VP Q&I	3	3	9	Financial and SMT Support to SA, partnership agreement, clear BCSA development plan, feedback on engagement	3	2	6	2	2	4	Above Target	TREAT - Review reasons for lack of effectiveness. Support BCSA to make changes. Engage NUS (Scotland) and SPARQS to provide support to SA.	VP Quality & Innovation	
3d	IF students are not engaged in driving the learner experience, THEN the College may not develop an appropriate learner experience.	VP Q&I	3	3	9	Student feedback, students' association, surveys and feedback, faculty councils	3	2	6			0	Above Target			
3e	IF Erasmus funding is withdrawn, THEN the College will not be able to provide such a high quality learning experience.	VP Curriculum	5	3	15	Resource planning, engagement with SFC	4	3	12	4	2	8	Above Target	TOLERATE - Amend programme experience from Europe to UK	VP Curriculum	31/03/2018
4	**Grow our business - Risk Appetite - CAUTIOUS**															
4a	IF the SFC does not fund growth in the Scottish Borders, THEN the College will not be able to create new provision to meet demand.	VP Curriculum	4	4	16	Outcome agreement, engagement with SFC, development of business cases to support growth	4	3	12	3	2	6	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficency savings in order to invest in new provision.	SMT	Continuous

4b		IF the market for commercial delivery is not sufficient to enable the College to meet income targets, THEN we may not have the ability to generate sufficient funds to invest in new resources.	VP F&R	3	4	12	Employer/client engagement, work on new markets and products	3	3	9	2	2	4	Above Target	TREAT - Build on relationship with newly formed DYW Industry Group and existing Employer Relationships. Promote our successes with Employers. Continue to explore a CRM system to capture all enquiries.	VP Curriculum/VP F&R	Continuous
4c		IF the College is not able to recruit appropriately qualified staff, THEN it will not be possible to enable growth in student numbers or commercial business.	Principal	4	3	12	Review recruitment strategy i.e. employment fairs, university graduates, starting salaries for non qualified teachers in skill shortage areas	3	2	6	2	2	4	Above Target	TREAT - Continue to promote college successes through proactive marketing and PR campaigns making us an attractive employer.	Principal/VP Q&I	Continuous
4d		IF BREXIT adversely affects the Regional economy, THEN employers may not have the capacity to undertake commercial training.	VP F&R	3	4	12	Employer/client engagement, work on new markets and products	3	3	9	2	2	4	Above Target	TREAT - Widen client base to spread risk	VP F&R/Head of BDU	Continuous
5		**Build sustainability - Risk Appetite - MODERATE**															
5a		IF SFC funding is reduced, THEN the College may be unable to invest in a sustainable ICT infrastructure to offer up-to-date learning and maintain efficient business processes.	VP F&R	4	4	16	Engagement with SFC, Outcome Agreement Process, curriculum and business planning, replacement infrastructure project 2017	3	2	6	2	2	4	Above Target	TERMINATE - Creation of sinking fund for ISLT resource	VP F&R	01/07/2018
5b		IF alternative sources of income are not found, THEN the ability to develop new delivery and trial new products is restricted.	VP F&R	3	4	12	Employer/client engagement, work on new markets and products	3	3	9	2	2	4	Above Target	TREAT - Work with BDU and faculties to to increase commercial engagements and wider funding opportunities.	VP F&R	Continuous
5c		IF national bargaining drives pay awards upwards ahead of any additional resources which are generated through growth, THEN the College will have less flexibility in managing its remaining resources.	VP F&R	5	5	25	Engagement with Employers' Association, resource planning	5	4	20	5	3	15	Above Target	TREAT - create financial headroom in budget to reduce impact of above inflaton increases.	VP F&R/Head of F&P	31/07/2018
5d		IF regional demand reduces, THEN the credit target may not be achieved and funding reduced.	VP Curriculum	4	4	16	Engagement with CPP, schools, employers groups, data analysis, business engagement, adult provision	3	3	9	3	3	9	On Target	TREAT - Create new provision in non-traditional subject areas, grow our HN provision and community and business courses	VP Curriculum/VP F&R	Continuous
5e		IF procurement reform does not deliver efficiencies, THEN the College will have reduced resources to deploy to support activity.	VP F&R	3	4	12	Resource Planning cycle, procurement management	3	3	9	3	2	6	Above Target	TREAT - Maximise use of efficient procurement via contracts register and collaborative frameworks, create headroom in budget	VP F&R/Head of F&P	31/07/2018
5f		If EU-funded Credit activity is withdrawn, THEN the College may not be able to sustain activity levels	VP F&R	5	4	20	Outcome agreement, engagement with SFC, curriculum and business planning	5	3	15	5	2	10	Above Target	TREAT - minimise impact of withdrawn funding by efficient esource planning	VP F&R	01/07/2018

Likelihood		Impact	
5	Almost certain 80% +	5	Critical — Substantial effect upon the objective, thus making it extremely difficult/costly to achieve
4	Very likely 60% - 80%	4	Significant — Considerable effect on the objective, making it more difficult /costly to achieve
3	Likely 40% - 60%	3	Moderate — Evident and material effect on the objective, making it fully achievable only with some moderate additional difficulty or cost
2	Unlikely 20% - 40%	2	Minor — Small but noticeable effect on the objective , making it fully achievable but with some minor difficulty/cost
1	Very unlikely Less than 20%	1	Marginal — Peripheral effect upon the objective, impacting only in minor way upon achievement