

REGIONAL BOARD REPORT

Subject: Strategic Risk Register	Purpose: For Approval <input type="checkbox"/> For Discussion <input checked="" type="checkbox"/> For Information <input type="checkbox"/>
Prepared by: Peter D Smith, Vice Principal – Finance and Resources	Date: 23 October 2017
Purpose: To discuss the College's Strategic Risk Register.	
Linked to Strategic Goal 5: Build Sustainability.	
Executive Summary: <p>The College's Strategic Risk Register (attached) was considered by Audit Committee on 16 October 2017, Curriculum and Quality Committee (CQC) on 19 October 2017 and by Executive Team on 23 October 2017.</p> <p>Audit Committee, while noting potential risks around the General Data Protection Regulation (GDPR) and Cyber Resilience, agreed to defer any changes to the Register as both matters are the subject of discussion at this meeting.</p> <p>CQC asked for the addition of a new risk recognising the impact of poor grades in the Education Scotland Evaluative Report, and this has been added as Risk 5g.</p> <p>Executive Team have reallocated responsibilities following the retirement of the Vice Principal – Quality and Innovation and the appointment of the Director of Business Improvement and Performance. Additionally, following communication from the Scottish Funding Council suggesting the possibility of a reallocation of Credit funding, the likelihood of Risk 1a has been reduced from 4 to 3.</p>	
Recommendation: Board discuss the Strategic Risk Register.	
Previous Committee Approvals: n/a	
For publication <input checked="" type="checkbox"/>	For publication with redactions <input type="checkbox"/>
Not for publication <input type="checkbox"/>	

BORDERS COLLEGE STRATEGIC RISK REGISTER														Approved by:		Exec	
Strategic Risk Appetite - MODERATE														Date:		23/10/2017	
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	3	3	9	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 efficiency savings in order to invest in new provision. Engage with SFC on request for Credits	Executive	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	2	3	6	3	2	6	On 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.	Executive	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 engagement 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 efficiency savings in order to invest in new provision.	Executive	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.	Executive	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	2	2	4	2	2	4	On 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 C &SS	30/06/2017
1h		IF EU-funded Credit activity is withdrawn, THEN the College may not be able to sustain activity levels	VP C &SS	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 efficiency savings in order to invest in new provision.	Executive	Continuous
1i		IF the College is not recognised in City Deal, THEN funding could be diverted elsewhere	Principal	3	4	12	Engagement by Principal	2	3	6	2	3	6	On 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 engagement by Principal / Chair	2	3	6	2	3	6	On 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 resource 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 achieve desired outcomes.	Principal	3	4	12	CPD and staff development, staff consultation, College meetings and briefings	2	2	4	2	3	6	On Target	TREAT - Continue to influence external policy on National Bargaining and Workforce for the future. Communicate regularly with internal staff and students not participating in but are affected by strike action and work together to mitigate impact.	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 C &SS	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 C & SS/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.	Director BI & P	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.	Director BI & P	Continuous
2e		IF students are not enrolled on the most appropriate programme, THEN they may be less likely to succeed.	VP C &SS	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 F&R	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 F & R	Continuous
2g		IF national pay bargaining has a negative effect on staff engagement, THEN student outcomes may decline.	Principal	4	4	16	Staff consultation and communication	4	3	12	2	2	4	Above Target	TREAT - Continue to influence external policy on National Bargaining and Workforce for the future. Communicate regularly with internal staff and students not participating in but are affected by strike action and work together to mitigate impact.	Principal	Continuous
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 ongoing 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, engagement 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.	Principal	Continuous

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.	Principal	Continuous
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	2	2	4	Above Target	TREAT - continue with student engagement,	VP C & SS	
3e		IF Erasmus funding is withdrawn, THEN the College will not be able to provide such a high quality learning experience.	VP C & SS	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 C & SS	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 C & SS	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 efficiency savings in order to invest in new provision. FWDF allows for some additional activity with employers.	Executive	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 C & SS/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	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 improve 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 inflation 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 C & SS	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 C & SS/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 resource planning. Notification of rejection of SFC claims means we have increased risk here	VP F&R	01/07/2018
5g	NEW	IF the grades resulting from the Education Scotland Evaluation Report are poor THEN the College may suffer reputational damage, resulting in poor student recruitment and loss of funding.	Director BI & P	3	3	9	Working closely with Education Scotland to ensure accurate judgements about ourselves, work around quality assurance, clear strategies/policies to address concerns.	2	2	4	2	2	4	On Target	TOLERATE - no additional actions	Director BI & P	Continuous

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

Likelihood

5 Almost certain
80% +

5 Critical

4 Very likely
60% - 80%

4 Significant

3 Likely
40% - 60%

3 Moderate

2 Unlikely
20% - 40%

2 Minor

1 Very unlikely
Less than 20%

1 Marginal

Impact

Substantial effect upon the objective, thus making it extremely difficult/costly to achieve

Considerable effect on the objective, making it more difficult /costly to achieve

Evident and material effect on the objective, making it fully achievable only with some moderate additional difficulty or cost

Small but noticeable effect on the objective , making it fully achievable but with some minor difficulty/cost

Peripheral effect upon the objective, impacting only in minor way upon achievement

Appetite

	5					
	4					
	3					
	2					
Likelihood	1					
		1	2	3	4	5
		Impact				