

AUDIT COMMITTEE REPORT

Subject: Strategic Risk Register	Purpose: For Approval <input type="checkbox"/> For Discussion <input checked="" type="checkbox"/> For Information <input type="checkbox"/>
Prepared by: Angela Cox, Principal	Date: 10 May 2021
Purpose: To provide members with the current strategic risk register for scrutiny.	
Linked to Strategic Goal: We will take a leading role in enabling an inclusive, resilient and sustainable Scotland	
Executive Summary The Strategic Risk Register was reviewed by the Executive Team on 10 May 2021, with no significant changes made.	
Recommendation: Members to <ul style="list-style-type: none"> Seek clarification on any specific risks and gain assurance on mitigation plans. Identify any additional strategic risks to be added to the Register. 	
Previous Committee Approvals: Regional Board – 22/04/21	
For publication <input checked="" type="checkbox"/>	For publication with redactions <input type="checkbox"/>
Not for publication <input type="checkbox"/>	

APPENDIX 1

Proposed risk impact matrix

Descriptor	Negligible	Minor	Moderate	Major	Extreme
Student experience	Reduced quality of student experience/outcome directly due to curriculum delivery	Unsatisfactory student experience / outcome - readily resolvable	Unsatisfactory student experience / outcome - resolvable within xxx time	Unsatisfactory student experience / outcome - resolvable within xxx time	Unsatisfactory student experience / outcome - long term impact
Objectives / Project	Barely noticeable impact on scope, quality or schedule	Minor reduction in scope, quality or schedule	Reduction in scope, quality or schedule	Significant project overrun / reduction in quality	Inability to meet project objectives / impact on reputation
Injury to student/ staff / visitors	Adverse event not requiring first aid	Minor injury/illness requiring first aid	Agency reportable	Long term incapacity requiring medical treatment or counselling	Death or major permanent incapacity
Complaints	Locally resolved verbal complaint	Justified written complaint	Justified complaint involving lack of professionalism	Multiple justified complaints	Complex justified complaints
Business interruption	Interruption in a service which does not affect delivery of educational services	Short term interruption which has minor impact on educational delivery	Some disruption with unacceptable impact on educational delivery. Temporary loss of ability to provide services.	Sustained loss of service which has serious impact on ability to delivery educational services, resulting in major contingency plans being invoked.	Permanent loss of core service or delivery. Disruption to services causing significant knock on effect
Staffing	Short term low staffing levels temporarily affecting service quality	Ongoing low staffing level reducing service quality. Minor error due to ineffective training	Late delivery of objectives due to lack of staff. Moderate error due to ineffective training.	Uncertain delivery of objectives due to lack of staff. Major error due to ineffective training	Non delivery of key objective due to lack of staff. Loss of key staff and inability to recruit. Critical error due to ineffective training.
Financial	Negligible <£1k	Minor >£1k to £10k	Significant >£10k to £50k	Major >£50k to £100k	Over £100k
Inspection / Audit	Small number of recommendations - minor quality improvement	Recommendations which can be addressed by low level of management action	Challenging recommendations which can be addressed with appropriate action plan	Enforcement action, low rating. Critical report	Prosecution, zero rating, severely critical report.
Reputation	Rumours, no media coverage, little impact on staff morale	Local press, little impact on morale and public perception	Local media coverage. Long term adverse publicity. Significant effect on staff morale and public perception	National media coverage less than three days. Public confidence undermined. Use of services affected	National media coverage > 3 days. MSP/MP concern (questions in Parliament), public enquiry, enforcement

APPENDIX 2 Proposed probability scoring and overall Risk Matrix

	Rare	Unlikely	Possible	Likely	Almost certain
Probability	Cant believe this event would ever happen - will only happen in exceptional circumstances	Not expected to happen but definite possibility exists - unlikely to occur	May occur occasionally - has happened before on occasions - reasonable chance of occurring	Strong possibility that this could occur - likely to occur	This is expected to occur frequently - more likely to occur than not

Previous matrix

Impact /Likelihood	Negligibile	Minor	Moderate	Major	Extreme
Almost certain	5	10	15	20	25
Likely	4	8	12	16	20
Possible	3	6	9	12	15
Unikely	2	4	6	8	10
Rare	1	2	3	4	5

Proposed

Impact /Likelihood	Negligibile	Minor	Moderate	Major	Extreme
Almost certain	5	10	15	20	25
Likely	4	8	12	16	20
Possible	3	6	9	12	15
Unikely	2	4	6	8	10
Rare	1	2	3	4	5

BORDERS COLLEGE STRATEGIC RISK REGISTER**Strategic Risk Appetite - MODERATE**

Date: 14/04/2021

Objectives and Risks		Baseline controls	Likelihood (1 - 5)	Impact (1 - 5)	Rating (max =25)	TYPE	Likelihood (1 - 5)	Impact (1 - 5)	Rating (max =25)	Target Actions to reach target
1 We will provide high quality learning and training opportunities which are relevant, enabling and flexible										We will provide high quality learning and training opportunities
2a	IF learners' needs are not properly articulated when considering resource planning, THEN learners may be enrolled in the wrong course and / or not achieve their desired outcomes.	The move from face to face to online learning has introduced different resourcing issues. Investment in elearning facilitators, additional support for learning through achievement coaches and focused student support. Strong engagement with BCSA continues.	2	3	6	Student Experience	2	3	6	TREAT - further investment in digital learning support and technology. Further 1-1 support for students is being identified
2b	IF staff are not fully motivated and engaged in delivering the best learner experience, THEN students may not achieve desired outcomes.	This risk has not materialised in 2019/2020.	2	3	6	Student Experience	2	3	6	TREAT - further investment in digital learning - staff capability. Two elearning technologists are being recruited.
2h	IF our outcomes don't show a positive trend THEN it may impact on our Education Scotland grade and potentially our SFC funding.	There are specific COVID19 impacts on our ability to complete some qualifications which meant that over 500 students were affected. The priority in 2020/21 is to timetable these students, to support their achievement in 2020/21.	3	3	9	Inspection/audit	3	3	9	TREAT - Continue to enhance tracking and monitoring arrangements. 10 welfare measures have been implemented including feel good day, protected CPD and social activities
4f	IF the College does not work effectively in partnership with other Colleges to implement shared delivery eg digital THEN our ability to access future grant funding from SFC/SOSEA may be impaired.	Although additional funding has not been agreed through SOSEA, this is likely due to the economic impact of COVID19, which is a factor outwith our control. Discussions are ongoing about the next phase. Discussions re wider federations are ongoing	2	2	4	Objectives	2	4	8	TREAT - End of project report submitted. Implementation of spokes nearly complete (some delays due to Covid). Programme for use of schools has been delayed due to covid. Reprofiled plan has been developed.
2 We will proactively engage with our community and stakeholders to ensure our practice reflects their need										We will proactively engage with our community and stakeholders
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.	The 2019/20 bid for redistribution was successful however was funded at a much lower rate than expected, due to sector wide demand.	2	2	4	Student Experience	3	4	12	TREAT - Continue to lobby SFC for recurrent growth and flexibility in funding
1b	IF there is not successful engagement with partners, THEN the College will not receive enough funding to be able to identify and meet their needs.	Strong engagement with partners has continued and where possible within the context of COVID19 we are continuing to meet their requirements under current constraints	2	3	6	Objectives	3	4	12	TOLERATE. - Projects' Board oversees significant projects with external stakeholders. Appointment of Exec Director and Director, along with renewal of the Stakeholder Strategy will provide focus for engagement. Website renewal will support.
1k	IF BREXIT has a significant negative impact on the Borders economy, THEN this may mean the College cannot meet the needs of the Region.	This risk is not in our ability to control. It has not materialised to date	3	3	9	Objectives	4	4	16	TREAT - Continue to discuss with SFC. Attend BREXIT forums. Await further advice from SFC.
4b	IF we do not understand and capitalise on the market for commercial delivery sufficiently to meet income targets, THEN we may not have the ability to generate sufficient funds to invest in new activities.	Impact has been factored into financial assessment. This risk has not materialised in 2020/21	2	2	4	Financial	3	3	9	TREAT - Continue to explore opportunities. Appointment of Exec Director and Director will provide focus for growth. Set stretch targets for curriculum portfolios as part of budget setting for 21/22
5i	IF the Coronavirus continues to spread and increase in impact, THEN the College may need to invoke contingency measures to protect staff, maintain critical services and support student achievement	Our ability to make changes in delivery arrangements in the light of COVID has been established. However the impact of COVID19 on student outcomes is now our primary concern. There is a risk of significant levels of deferrals into next year. This is currently being estimated and we will need to consider how to address this.	3	3	9	Business interruption	4	4	16	TREAT - Keep in touch with national discussions and guidance. Strive to thrive framework allows us to flex up and down as required. Service directory and communications plan updated, for staff and students. Reopen campuses when permitted. Providing 121 support as required. Assessing potential deferrals so that we can plan how to support students to complete.
3 We will take a leading role in enabling an inclusive, resilient and sustainable Scotland										We will take a leading role in enabling an inclusive, resilient and sustainable Scotland
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.	There has been no tangible progress on this matter in this year.	4	4	16	Financial	4	3	12	TOLERATE - assume SFC redistribution of funds would address = current risk lowered. Some pressure on support staff pay award, which can be accommodated within current budget availability without too much strain.
5h	IF the College is unable to meet the requirements of GDPR THEN the College may suffer financial and reputational damage	Information Governance audit identified some actions for completion. These actions are not new, but the report serves as a helpful basis for ensuring a focus on implementing our already agreed action plan. Report reviewed by audit committee and risk level remains, to be further reviewed in October.	2	3	6	Inspection/audit	3	2	6	TREAT - Data sharing agreements and Data Protection Impact Assessments are now a priority. Data breach with associated financial loss, notified in January has identified further technical, operational and training actions. Data protection action plan will be refreshed by February 2021.
5i	IF protection against cyber attack is not sufficient, THEN the College could suffer financial and reputational damage, or negative impact on student success	We are aware of cyber security risks as a result of COVID 19 however there are no current issues locally. Report reviewed by audit committee and risk level remains, to be further reviewed in October. Cyber risk review nearing completion, and cyber essentials plus re-accreditation pending	3	3	9	Business interruption	2	4	8	TREAT - cyber risk technical assessment completed Sep 2020, cyber essentials plus re-accreditation completed Sep 2020. Resource investment agreed and reported to audit committee in December. The DTP will improve our ability to comply with cyber security standards. Board considered the NCSC toolkit in workshop sessions in January. Additional controls agreed to support Board activity.

APPENDIX 4 5X5 Risk matrices

We will provide high quality learning and training opportunities which are relevant, enabling and flexible

		Total risk rating				29
Likelihood	5					
	4					
	3		2h Outcomes trend not positive			
	2		2a Learners needs not articulated			
	1	4f Ineffective working in partnership with other Colleges to develop digital delivery	2b Staff motivation			
		1	2	3	4	5
		Impact				

We willl proactively engage with our community and stakeholders to ensure our practice reflects their need

		Total risk rating				65
Likelihood	5					
	4				5l Impact of COVID19 on delivery	
	3			1k BREXIT impact on economy		
	2	1a Lack of SFC funding for growth	1b Fail to capitalise on commercial opportunities	ib Unsuccessful engagement with partners		
	1					
		1	2	3	4	5
		Impact				

Acceptable level of risk - risk appetite

OVERALL STRATEGIC RISK APPETITE - MODERATE	
Risk appetite	Definition
OPEN	The College is willing to consider all delivery options and select those with the highest level of productive outcomes, even when
MODERATE	The College will only accept exposure to modest levels of risk in selecting delivery options, recognising that this may restrict
CAUTIOUS	The College remains guarded, with a preference for safe delivery options that have no more than a low degree of risk,

We will take a leading role in enabling an inclusive, resilient and sustainable Scotland

		Total risk rating				26
Likelihood	5					
	4			5c Excess cost of national bargaining		
	3			5i Insufficient protection from cyber attack		
	2			5b Non compliance with GDPR		
	1					
		1	2	3	4	5
		Impact				