

FINANCE AND RESOURCES COMMITTEE

**Wednesday 30 May 2018
Seminar Room 4, Cardonald Campus**

FINANCE AND RESOURCES COMMITTEE

The eighteenth meeting of the Finance and Resources Committee will be held on Wednesday 30 May 2018 at 4.30 pm in Seminar room 4, Cardonald Campus.

A G E N D A

- | | | |
|--------------|--------------------------|----------|
| 18.18 | Welcome and Apologies | R Fraser |
| 18.19 | Declarations of Interest | R Fraser |

Minutes of Previous Meeting

- | | | | |
|--------------|--|---|----------|
| 18.20 | Minutes of the Finance and Resources Committee of the 29 November 2017 | P | R Fraser |
| 18.21 | Matters Arising Action Grid (<i>carried forward</i>) | P | R Fraser |

Items for Discussion

- | | | | |
|--------------|--|---|-------------|
| 18.22 | Remit of Committee | P | R Fraser |
| 18.23 | Draft Five Year Financial Plan 2018-2023 | P | T Elliott |
| 18.24 | Draft Revenue Budget for 2018/19 | P | J Thomson |
| 18.25 | Financial Report to April 18 & Forecast to July 2018 including Cash Flow | P | T Elliott |
| 18.26 | Capital Expenditure & Masterplan Update | P | J Thomson |
| 18.27 | Commercial & External Funding Update | P | D McDougall |
| 18.28 | Estates Update | P | J Thomson |
| 18.29 | Glasgow Clyde Education Foundation Update | P | J Thomson |
| 18.30 | Procurement Strategy and Policy Update | P | T Elliott |

Items for Noting

- | | | | |
|--------------|---|---|-----------|
| 18.31 | Procurement Update | P | T Elliott |
| 18.32 | College Strategic Risk Register – Financial Risks | P | J Thomson |

Continual Improvement

- | | | |
|--------------|---|----------|
| 18.33 | Equalities Impact Assessment on Decisions Made | R Fraser |
| 18.34 | Review of Papers (including Disclosable Status) | All |
| 18.35 | Any Other Business | R Fraser |

Date of next meeting Wednesday, 26th September 2018 at 4.30pm, the Boardroom, Langside Campus

NOTES OF THE EIGHTEENTH MEETING OF THE FINANCE AND RESOURCES COMMITTEE, HELD ON 29 NOVEMBER 2017, AT 4.30PM IN THE BOARDROOM, LANGSIDE CAMPUS, GLASGOW CLYDE COLLEGE

PRESENT:

R Fraser	Committee Chair
D Newall	Committee Member
J Vincent	Principal/Committee Member
S Henson	Committee Member

IN ATTENDANCE

J Thomson	Vice Principal Resources & College Development
T Elliott	Assistant Principal, Finance & Infrastructure
G Murray	Clerk to the Board (minute taker)

ACTION

17.48 WELCOME AND APOLOGIES

R Fraser welcomed everyone to the meeting. Apologies had been received from K Gasiorowska and S Cooley. D McDougall had also advised that he would be unable to attend to present his paper (Agenda Item 17.57)

17.49 DECLARATIONS OF INTEREST

There were no declarations of interest.

17.50 MINUTES OF THE MEETING HELD ON 4 OCTOBER 2017

The Minutes were approved as an accurate record of the previous meeting.

In response to a query from a Committee Member, J Thomson advised that there was no further update on the future years' Capital Funding Formula allocations from the GCRB.

17.51 MATTERS ARISING

Progress was noted on all of the matters arising.

17.52 DRAFT FINANCIAL STATEMENTS FOR YEAR ENDING 31 JULY 2017

T Elliott was invited to speak to the Report issued with the Agenda. T Elliott presented the Glasgow Clyde College financial statements for the twelve month period ending 31 July 2017. The year-end audit of the draft financial statements had been completed with an unqualified audit opinion having been given.

ACTION

T Elliott took the Committee through the Financial Statements inviting comments and questions. The Committee discussed each section of the Financial Statements in detail with minor recommendations being made in respect of certain wording being used. T Elliott informed the Committee of certain changes which would also be made following comments received from the Audit Committee.

The Committee discussed the KPIs within the Financial Statements and, in particular, whether these KPIs were a good measure for the College or if better measures could be adopted. J Vincent informed the Committee that Senior Management had been looking at KPIs and considering these issues. The Committee discussed the importance of being able to ascertain the true costs associated with commercial income and monitoring other sources of income. The Committee discussed student retention and success rates and where the College sits in the wider sector. The analysis of student attainment figures within the College was discussed. In response to a query from a Committee Member, T Elliott provided an explanation of the definition of 'pension benefit' as per the table on page 32 of the Financial Statements.

The Committee recommended some minor changes to the wording of the Financial Statements. Changes were suggested to the list of Executive Management Team Members on page 25 to include a date and the additional acting member. It was suggested that the paragraph relating to Commercial Income on page 20 be elaborated to be more aspirational.

In response to a query from a Board Member, T Elliott explained that the External Auditors' Report and Letter had gone to the Audit Committee and would go to the Board. T Elliott outlined the one minor recommendation within that report.

The Committee thanked the College staff for the update and praised them for managing the budget through the year to come in to a final position in line with budget.

The Committee agreed to Recommend the Draft Financial Statements to the Board for Approval.

17.53 FINANCIAL REPORT – YEAR TO OCT & FORECAST TO JULY 2018 INCLUDING CASH FLOW

T Elliott was invited to speak to the Report issued with the Agenda. T Elliott explained that the reports outline the financial position versus the phased budget for the three-month period August 2017 to October 2017 and the forecast outturn position

ACTION

for the academic year August 2017 to July 2018 versus the academic year 2017/18 budget. The forecast position for 2017/18 shows a forecast operating deficit of £1,686k in line with the budgeted position which is a balanced underlying operating position after adjusting for additional depreciation due to asset revaluation and cash budget for priorities.

T Elliott took the Committee through the three variances listed, emphasising the income variance was as a result of the forecast income from the Flexible Workforce Development Fund. The Committee discussed the planned additional expenditure and the importance of having a plan for achieving this within the financial year. T Elliott outlined the internal procedures for planning requests and how these processes would be utilised to ensure spend could be achieved within the financial year.

The Committee discussed the Cash Flow Report and, in response to a query from a Committee Member, T Elliott outlined the various ways in which cash expenditure could be stopped very quickly if there was a requirement.

Having discussed the Report, the Committee thanked T Elliott for her update.

17.54 CAPITAL EXPENDITURE & CAPITAL MASTERPLAN UPDATE

J Thomson was invited to speak to the papers issued with the Agenda.

J Thomson explained that the report provided an update on capital expenditure against the latest Capital Masterplan for the period from 1 April 2017 to 30 October 2017. J Thomson outlined each project as shown on the Capital Masterplan and provided an update on progress

The Committee discussed the Report and Masterplan. D Newall thanked J Thomson for the helpful presentation on Estates which had been delivered to the Board at the October Board Development Event. He suggested that the Senior Management Team create a more detailed Estates Strategy which would provide context and embed the priorities of the College. It was agreed that an Estates Strategy would be drafted and presented to the Board at a further Board Development Event to ensure the Board have an opportunity to discuss and input to the strategy before it becomes final.

DN/JV/JT/Clerk

The Committee thanked J Thomson for her update.

ACTION

17.55 ESSENTIAL ESTATES IMPROVEMENT WORKS

J Thomson was invited to speak to the Report issued with the Agenda.

J Thomson took the Committee through the Report outlining the key developments at the Anniesland Campus and the Mary Stuart building.

The Committee thanked J Thomson for the update.

17.56 ESTATES UPDATE

J Thomson was invited to speak to the report issued with the agenda.

Updates were given on the major Capital works including the new build teaching accommodation for Landscaping and Horticulture, the large scale plant upgrade/replacements at the Cardonald Campus with a major refurbishment of the five Tower Block building lifts, partial upgrade of the heating and ventilation system, and replacement of switchgear. An update was also given on the Langside residences with J Thomson outlining the recent correspondence from the potential Assignee's solicitor.

The Committee discussed each of the Capital works. In discussing the Langside residences, the Committee reiterated the importance of getting the potential assignee to agree to carry out the required repair works as a condition of the assignation.

The Committee noted the update and thanked J Thomson for the paper.

17.57 COMMERCIAL & EXTERNAL FUNDING UPDATE

In the absence of D McDougall, J Thomson was invited to speak to the report issued with the Agenda.

J Thomson took the Committee through each section of the Report. The Committee discussed the Report with more discussion taking place around the Flexible Workforce Development Fund(FWDF) and the need to ensure that delivery will be possible. The Committee Chair asked the Senior Management Team to consider the drop dead date for accepting contracts under FWDF and ensuring that delivery would be possible within the timescale.

JV/JT

The Committee thanked J Thomson for the update.

17.58 REMIT OF COMMITTEE

ACTION

The Committee discussed the Remit. It was agreed that the Remit should be more proactive rather than the current version which is reactive. The Committee would like the Remit to set out their role as being to advise rather than to simply note reports. The Committee agreed that the Remit should contain more reference to their role in Estates work. The Committee agreed that there should be no requirement to produce an Annual Report from the committee to the Board. It was agreed that D Newall would provide his suggested revisions to J Thomson and the Clerk to the Board and that they would circulate a revised draft in advance of the next meeting.

DN/JT/Clerk

17.59 PROCUREMENT UPDATE

The Committee noted the Procurement Update.

The Committee discussed the APUC Annual Summary Report with discussions taking place around the possibility of taking forward some of the suggestions for regional collaborations.

17.60 COLLEGE STRATEGIC RISK REGISTER – FINANCIAL RISKS

The Committee noted the Risk Register.

17.61 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE

None

17.62 REVIEW OF PAPERS (INCLUDING DISCLOSABLE STATUS)

No variation to the disclosable status of papers.

17.63 ANY OTHER BUSINESS

None

DATE OF NEXT MEETING

28 February 2018 at 4.30pm, The Boardroom, Anniesland Campus

**FINANCE AND RESOURCES COMMITTEE
MEETING HELD ON 29 NOVEMBER 2017
ACTION GRID**

ITEM	ACTION	LEAD	COMMENT
17.54	CAPITAL EXPENDITURE & CAPITAL MASTERPLAN UPDATE		
	It was suggested that the Senior Management Team create a more detailed Estates Strategy which would provide context and embed the priorities of the College. It was agreed that an Estates Strategy would be drafted and presented to the Board at a further Board Development Event to ensure the Board have an opportunity to discuss and input to the strategy before it becomes final	DN/JV/ JT/Clerk	The College plan to apply to GCEF for funding to have an external review completed to feed into an updated Estates Strategy and it is intended this will be taken to Board event in October 2018.
17.57	COMMERCIAL & EXTERNAL FUNDING UPDATE		
	The Committee Chair asked the Senior Management Team to consider the drop dead date for accepting contracts under FWDF and ensuring that delivery would be possible within the timescale.	JV/JT	The final date for accepting contracts is 28 February and for completing them the date is end June with potential to extend to end July (being confirmed by SFC)
	It was agreed that D Newall would provide his suggested revisals to J Thomson and the Clerk to the Board and that they would circulate a revised draft in advance of the next meeting	DN/JT/ Clerk	Comments were received from D Newall and these have been incorporated into the proposed revised remit with the agenda.

FINANCE & RESOURCES COMMITTEE MEETING

Date of Meeting	28 February 2018
Paper Title	Finance & Resources Committee Review of Remit
Agenda Item	18.22
Paper Number	18.22A
Responsible Officer	R Fraser, Finance & Resources Committee Chair
Status	Disclosable
Action	For Discussion

1. REPORT PURPOSE

The purpose of this item is to allow Committee Members an opportunity to consider proposed revisions to the Remit of the Finance & Resources Committee and to agree any changes to be recommended to the Board.

2. RECOMMENDATION

Committee Members are invited to discuss the proposed update Remit of the Finance & Resources Committee and agree to any changes to be recommended to the Board of Management.

3. BACKGROUND

At the March 2017 Meeting of the Board, following the conclusion of the External Effectiveness Review, a Board Development Plan was agreed. One of the development areas within that plan was to review the Remits of the Committees to ensure effective use of Committee and Board time.

A Paper was taken to the August 2017 Board Meeting inviting the Board to review the Remits. It was agreed by the Board that each Committee should review its own remit in the first instance.

The Remit of the Finance & Resources Committee was discussed at the November Committee meeting. Committee Members are invited to consider the Remit and consider any amendments which would better utilise the Committee's time and resources. Following that discussion, it was agreed that comments be sent to the Clerk to the Board for inclusion in a revised proposed remit. This has been completed and a revised proposed remit is attached.

The Committee is requested to consider the revised proposed remit, agree the changes and the final remit will be reported to the March meeting of the Board of Management along with the remits of the other Committees.

3. RISK ANALYSIS

There are no specific risk implications in this paper.

**4. LEGAL IMPLICATIONS/ FINANCIAL IMPLICATIONS/ REGIONAL
OUTCOME AGREEMENT IMPLICATIONS**

N/A

5. HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT

N/A

FINANCE AND RESOURCES COMMITTEE

Having regard to the need for financial sustainability of the College the functions listed here are delegated by the Board to the Finance and Resources Committee.

REMIT

- To ensure the maintenance of a robust long-term financial strategy
- To ensure the capital masterplan is aligned with the College's estates strategy
- To monitor annual financial performance
- To review the performance against target of commercial activities
- To monitor expenditure against the agreed capital masterplan

To seek from the Principal, as Analogous Accountable Officer, the Vice Principal, Resources and College Development, and the Assistant Principal Finance and Infrastructure any additional information which it requires in order to form an opinion on the adequacy of the financial management and control systems of the College.

In the light of its review of the information indicated in above paragraphs, advising the Board of any causes for concern about the College's financial performance, financial management and control systems.

To make recommendations to the Board of Management on:

- the annual revenue budget
- the financial statements
- capital expenditure and the capital masterplan
- the estates strategy
- financial policies
- any other issues relating to the management of finance and physical resources

Liaising as appropriate with the Audit Committee.

MEMBERSHIP

The membership of the Committee is six Board members including the Principal, with one of the Board members providing the role of Chair of the Committee, and one to act as Vice Chair as elected. The Chair of the Committee is elected by the Board and the Vice Chair is elected by the Committee. There should be no overlap of Board members with membership of the Audit Committee. The Board reviews the membership every four years. The Vice Principal, Resources and College Development and the Assistant Principal Finance and Infrastructure attend the Committee as advisers. The

Committee meets 4 times per year.

QUORUM

The quorum set by the Committee is three members.

FINANCE AND RESOURCES COMMITTEE MEETING

Date of Meeting	30 May 2018
Paper Title	Capital Expenditure Report and Masterplan Update
Agenda Item	18.26
Paper Number	18.26A
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	For Discussion

1 REPORT PURPOSE

- 1.1 This report provides an update on capital expenditure against plan for the period from 1 April 2017 to 31 March 2018 and updated capital plan for 2018/19 and future years.

2 RECOMMENDATIONS

- 2.1 The Finance and Resources Committee is asked to discuss the capital expenditure report against plan and updated capital plan.

3 BACKGROUND

- 3.1 The Scottish Funding Council (SFC) provides formula capital funding to Colleges which can be used towards estates or equipment and this funding is provided on a fiscal year basis, i.e. April to March.
- 3.2 The allocation for 2017/18 for the Region was £4.57Million. GCRB implemented a new capital funding allocation policy for 2017/18 as previously reported to the Committee and the Board of Management. The GCRB capital allocation policy for 2017/18 allocated 50% of the capital funding based on teaching credits volumes for life cycle maintenance for each of the three Glasgow Colleges which allocated £748k to Glasgow Clyde College (and this is split by the College between capital and revenue with £369k being capital and the balance being revenue used for life cycle maintenance). The remaining 50% of the SFC capital funding for the Region was allocated through a bidding process (with the exception of £287k which was retained by GCRB for potential emergency needs).

- 3.3 Glasgow Clyde College received funding for two of its four bids which were the bids for Interactive Whiteboards replacement where £400k was bid for and £300k was allocated, and for Local Area Network Replacement at Anniesland where the bid for £475k was approved.
- 3.4 The capital expenditure from 1 April 2017 to 31 March 2018 against plan is attached which shows expenditure against the latest capital masterplan as approved at the March Board of Management meeting. The plan includes the GCRB allocation of £369k for life cycle maintenance and the two bids approved by GCRB for 2017/18 as indicated in paragraph 3.2 above. Projects shown as 1 and 2 on the attached capital masterplan for 2017/18 are the Landscaping and Horticulture building and Large Scale Plant Upgrade/Replacement at the Cardonald campus which have been funded by the Glasgow Clyde Education Foundation.
- 3.5 The 2017/18 plan includes the second phase of the Interactive Whiteboard replacement which is funded from the underspend on the LAN infrastructure replacement at Anniesland which £95k less than originally anticipated (at £380k rather than £475k) and the GCRB have additional allocation of capital funding from the amount they had retained for emergency needs of which £94k was the Glasgow Clyde College allocation. Therefore, both of those two amounts, total of £189k, were used for replacing further Interactive Whiteboards which was the second phase of this project. This was an £800k project in the College's five-year masterplan and from the original bid to GCRB in June 2017 for £400k only £300k was agreed for funding at that time. The College have discussed this proposed use of these two elements of funding with GCRB.
- 3.6 The capital masterplan is being updated following recent information from the funding council and GCRB and will be sent out to members before the meeting.

4 RISK ANALYSIS

- 4.1 There is a risk that if the capital masterplan is not achieved then the correct level of investment is not made to maintain a suitable educational experience for the students of Glasgow Clyde College.

5 LEGAL IMPLICATIONS

- 5.1 There are no specific legal implications associated with this capital expenditure update.

6 FINANCIAL IMPLICATIONS

- 6.1 The financial values of each of the capital masterplan projects are highlighted within the report.

7 REGIONAL OUTCOME AGREEMENT IMPLICATIONS

- 7.1 The Regional Outcome Agreement implications are that each of the Colleges in Glasgow needs to have a suitable, fit-for-purpose estate and this is being emphasised in the funding allocation discussions.

8 Has an Equality Impact Assessment been carried out?

- 8.1 Not applicable.

Glasgow Clyde College - Capital Masterplan

Paper 18.26A

Expenditure against plan 1st April 2017 to 31st March 2018 against 2017/18 Capital projects plan

Priority	Project Description - Capital Projects	Funded by	Capital Projects Plan as approved at March Board	2017/18 Capital Expenditure April 17 to January 18	Variance/ Balance remaining	Comments
1	Landscaping and Horticulture Teaching Accommodation including glasshouses	Foundation Approved	£1,697,303	£1,648,430	£48,873	Permanent relocation of landscaping and horticulture teaching provision previously based at Langside's Woodburn campus, including glasshouses. Project completed October 2017. Foundation funded.
2	Large Scale Plant Upgrade/ Replacements from condition survey Part 1 - Cardonald Campus Lifts, Heating and Ventilation, Switchgear	Foundation Approved	£1,883,616	£1,408,794	£474,822	Funding approved from Foundation for total three part large scale plant upgrade project at £2.75Million. Lifts project progressed from May 2017 and should conclude May 2018. Phase 1 of heating and ventilation, and mechanical and electrical services completed in summer 2017. Part of total bid (£600k) deferred to consider phase 2 of heating and ventilation works.
3	Summer Works 2017	SFC/GCRB capital funding allocation	£369,000	£400,956	(£31,956)	Summer works 2017 completed. Projects undertaken on a prioritised basis following planning discussions with all faculties and units.
4	Interactive Whiteboard replacement programme - Anniesland and Langside campuses phase 1	SFC Funding/Bid approved for GCRB 2017/18 capital	£300,000	£299,723	£277	Interactive whiteboards greater than 7 years old were in need of replacement and modernisation. They were no longer working effectively and having an impact on the student experience. The College bid to GCRB was for £400k of which £300k was funded. The most urgent need was Anniesland and these replacements up to the £300k level were completed in summer of 2017.
4a	Interactive Whiteboard replacement programme - Anniesland and Langside campuses phase 2	SFC Funding/GCRB 2017/18 additional capital allocation	£189,000	£188,172	£828	See 4 above. Interactive whiteboards greater than 7 years old in need of replacement and modernisation. The College total plan over 17/18 and 18/19 was £800k. Original bid to GCRB for 2017/18 was for £400k of which £300k was funded. Underspend on LAN replacement of £95k plus additional GCRB funding allocated 9th February 2018 being used to replace second tranche of Interactive Whiteboards.
5	Local Area Network Replacement at Anniesland	SFC Funding/Bid approved for GCRB 2017/18 capital	£380,000	£380,277	(£277)	Replacement of LAN infrastructure completed by end March 2018 following GCRB funding bid being approved. It needed replaced due to age and contained non-stackable switching technology which limits connectivity and data throughput. Original estimate was £475k and cost was £380k. Saving on this project of £95k used to buy Interactive Whiteboards under project 4a above.
	Capital projects sub-total		£4,818,919	£4,326,352	£492,567	

FINANCE AND RESOURCES COMMITTEE

Date of Meeting	30 May 2018
Paper Title	Glasgow Clyde Education Foundation Update
Agenda Item	18.29
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	For Discussion

1 REPORT PURPOSE

- 1.1 The purpose of this report is to provide an update on the activity of the Glasgow Clyde Education Foundation since the last main Board meeting on 14th March 2018.

2 RECOMMENDATION

- 2.1 Members are invited to **discuss** this paper.

3 BACKGROUND

3 BACKGROUND

- 3.1 The Glasgow Clyde Education Foundation (GCEF) is a separate independent charitable organisation from the College.
- 3.2 The Foundation has three strategic funding priorities which are as follows :
- Strategic Priority 1 Improved Pedagogy
Strategic Priority 2 Effective Learning
Strategic Priority 3 Capability and Capacity
- 3.3 A sum of £14.4M was transferred to the Foundation from the College as at the end of March 2014, which was the College cash backed reserves. A further sum of £600k was transferred at end of March 2015. There have been no further donations since that time.
- 3.4 To date, the College has had over thirty applications supported by the Foundation which total over £8M between capital and revenue projects. The Foundation had their most recent meeting on 20 March 2018 and their next meeting is on 29 May 2018.

3.5 Two bids were approved by the Board at their March meeting for submission to the Foundation which were as follows :

- Business improvement programme for the College – Bid for £175k. This will be a follow up to the previous pipeline submission to the Foundation in July 2017; and
- Funding to support an external review of the College long term estates needs to feed into the planned update to the Estates Strategy. Bid for £50k. This will particularly focus on the future needs for the Cardonald campus.

Both of these bids were supported by the Foundation and grant award letters have now been received.

4 RISK ANALYSIS

4.1 There are no specific risk implications associated with this paper.

5 LEGAL IMPLICATIONS/FINANCIAL IMPLICATIONS/REGIONAL OUTCOME AGREEMENT IMPLICATIONS

5.1 The GCEF is a separate charitable organisation and hence is a separate legal entity. The financial implications related to this paper are that potential future projects will be dependent on future funding applications to the Foundation being approved by the Foundation.

6 Has an Equality Impact Assessment been carried out?

N/A

FINANCE & RESOURCES COMMITTEE

Date of Meeting	30 May 2018
Paper Title	College Strategic Risk Register
Agenda Item	18.
Paper Number	18.
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	For Discussion

1 REPORT PURPOSE

The Report considers the College's Strategic Risk Register which is updated regularly and reported to each Audit Committee, Finance & Resources Committee and to the Board of Management on a quarterly basis.

2. RECOMMENDATION

Members are invited to DISCUSS this paper.

3. BACKGROUND

The College Strategic Risk Register is a key part of the College's risk management framework which is updated regularly and considered at least quarterly by College Senior Management.

4. RISK ANALYSIS

4.1 The College Strategic Risk Register is a key part of the College's risk management framework and a copy of the Strategic Risk Register as at 9th May is attached. There are a few changes to the narrative since last reported to the Board of Management in March which are fairly minor and are highlighted in red.

4.2 There are 12 risks on the College Strategic Risk Register and of these 3 risks are scoring as high after mitigating actions and the main reasons for this are summarised in paragraphs 4.3 to 4.5 below.

4.3 Risk F1 – Adverse Funding Changes (SFC/SDS/ESF). This is scoring as probability of 4 and impact of 4 after mitigating actions. There are challenges for each of these funding strands particularly in the medium to long term. The SFC funding allocation does not fund the Region to the full value of the

previously calculated simplified model and there is now national bargaining funding for the medium period which completely distorts that proposed model. The SFC are considering a new future model however there is no indication how that will be constructed. For SDS there are changes in the funding strands they provide and changes to SDS itself. ESF funding is increased for 2017/18 however reduces for 2018/19 as the current programme ends. Finally, the capital funding policy by GCRB has some risk although this has reduced for 2018/19 as they are following the SFC funding allocation policy with the very high priority estates needs being funded.

- 4.4 Risk O1 – Negative impact on employee relations (e.g. national bargaining, industrial action, local consultation). This is scoring as probability of 3 and impact of 5 after mitigating actions. Some of the key issues in this risk are associated with decisions that are not within the College's direct control.
- 4.5 Risk O2 – Failure of College operational processes/systems/ICT infrastructure (including risk of fraud). This is scoring as probability of 3 and impact of 5 after mitigating actions. This is just scoring within the high range and is due to the volume of activity across the College processes and has been noted as increasing in relation to new cyber security requirements from October 2018.
- 4.6 In addition Risk F2 – Failure to achieve surplus targets for non-SFC commercial activity, Risk O3 – Failure to achieve a sustainable fit for purpose estate, and Risk G1 – Failure to meet all legislative and regulatory requirements and/or recommended guidance are all scoring as medium risk.

5. LEGAL IMPLICATIONS/ FINANCIAL IMPLICATIONS/ REGIONAL OUTCOME AGREEMENT IMPLICATIONS

The College is required to have a risk register as part of the Financial Memorandum.

6. HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT

N/A

GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER								Key of abbreviations : SFC = Scottish Funding Council, GCRB = Glasgow Colleges Regional Board, GCG = Glasgow Colleges Group, SDS = Skills Development Scotland, ESF = European Social Fund, JISC = Joint Information Steering Committee		as at 9th May 2018				
					Score Before Mitigating Actions				Score After Mitigating Actions					
Risk Ref	New Risk Description	Risk Category	Link to Development Plan Goal	Risk Owner	Probability	Impact	Risk Score	Mitigating Actions	Probability	Impact	Risk Score	Risk Ranking after mitigating actions	Risk Score at last report to the Board	Risk Increasing/ Decreasing/ No Change
Financial Risks														
F1	Adverse Funding changes (SFC/SDS/ESF)	Financial	Goal 4 - Ensuring operational effectiveness and efficiency	Principal/ Vice Principals	5	5	25	i) Financial plans developed by College Senior Management and monitored within framework of available activity funding through Glasgow Regional funding for teaching, student support funds and capital. Portfolio planning key element of cost base and monitored on ongoing basis. Portfolio for 2018/19 now in final stages of development. ii) Continue to aim to inform and influence funding allocations through Principals Forum, Glasgow Colleges Regional Board, MSPs, and other appropriate bodies. Indicative funding allocation for 2018/19 announced. iii) Work with Colleges Scotland and Scotland's Colleges Partnership on lobbying regarding impact on ESF funding and development of future alternative resources iv) Projects progressed to address priority items as per College Capital masterplan based on affordability and potential for applications to Foundation v)Ensure ongoing dialogue with SDS vi) Working to achieve requirements of 2017/18 Flexible Workforce Development Fund	4	4	16	F1	16	Decreased for 2018/19. Increased from 2019/20.
F2	Failure to achieve surplus targets for non-SFC/ commercial activity	Financial	Goal 3 & Goal 4 - Contributing to the local, regional and national economy, & ensuring operational effectiveness and efficiency	Assistant Principal International and Business Development	4	5	20	i) Regular monitoring between Business Development Unit and Faculty Management of non-SFC commercial activity and replacement activity identified as required. ii) Costing templates completed for all commercial activity. Further monitoring of in year staff costs being developed during 2017/18. iii) Increased engagement and marketing effort to maintain current business but also to open and grow new income streams. iv) Spread of activity across a range of activity areas to reduce risk of one large contract failure to overall surplus. v) Review and develop market opportunities through business development strategy and grow new markets. vi) Keep informed of constitutional change implications of Brexit and impact on non-SFC activity for the College.	2	5	10	F2	10	Decreased for 2017/18
F3	Failure to achieve contracted overall teaching delivery targets for any key partner (SFC/SDS/ESF)	Financial/ Organisational	Goal 1 & Goal 2 - Delivering exceptional learning opportunities, & growing exceptional partnerships	Vice Principal - Curriculum & External Relations	3	4	12	i) Annually plan and deliver portfolio to required quality standards, ensuring appropriate recruitment, retention and profile of students. ii) Discussions within Glasgow Colleges Group and with other partners to plan curriculum and make changes annually to meet market needs and Government and SFC guidance iii) Ensure stated teaching activity targets are met. iv) Work closely with relevant partners to ensure programmes implemented as planned v) Ensure all relevant agency (e.g. SDS) milestones and documentation requirements achieved. vi) College undertake effective competitor analysis, clear branding and focused marketing to maintain effective student recruitment	1	3	3	F3	3	Decreased for 2017/18

GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER								Key of abbreviations : SFC = Scottish Funding Council, GCRB = Glasgow Colleges Regional Board, GCG = Glasgow Colleges Group, SDS = Skills Development Scotland, ESF = European Social Fund, JISC = Joint Information Steering Committee		as at 9th May 2018				
					Score Before Mitigating Actions				Score After Mitigating Actions					
Risk Ref	New Risk Description	Risk Category	Link to Development Plan Goal	Risk Owner	Probability	Impact	Risk Score	Mitigating Actions	Probability	Impact	Risk Score	Risk Ranking after mitigating actions	Risk Score at last report to the Board	Risk Increasing/ Decreasing/ No Change
Organisational Risks														
O1	Negative impact on employee relations (e.g. national bargaining, industrial action, local consultation)	Organisational / Reputational	Goal 1 & 2 - Delivering exceptional learning opportunities & Growing exceptional partnerships	Principal/ Assistant Principal HR	4	5	20	i) Focussed work with Trade Unions, specific and regular meetings with senior management, ensuring good flow of information, and ongoing communications. ii) Regular direct communication with staff e.g. staff briefings, focus groups. iii) Representation made through Employers Association Group, Colleges Scotland, Principals Forum, and GCRB, within national bargaining process. iv) Emphasis being made nationally on imperative of financial sustainability and affordability issues particularly given increased staffing costs and challenges of the Glasgow Regional context. v) Discussion with unions on impact on College financial sustainability and organisational impacts. vi) Business continuity planning used to ensure all stakeholders appropriately communicated with in any potential industrial action.	3	5	15	O1	15	No change
O2	Failure of College operational processes/ systems /ICT infrastructure (including risk of fraud)	Organisational	Goal 1 & 4 -Delivering exceptional learning opportunities & Ensuring operational effectiveness and efficiency	Vice Principal Resources & College Development & Vice Principal-Curriculum & External Relations	4	5	20	i) Monitoring systems in place across College and feedback from relevant staff. Any issues addressed as necessary and action taken. ii) Business system improvement process in place iii) Infrastructure designed not to have single points of failure with all campuses operating a sophisticated dual-core network topology. iv) Virtualisation infrastructure which improves server resilience with two main data centres at different campuses. v) Member of JISC Information Security service which provides support to secure against cyber attack and regular ICT network penetration testing undertaken. vi) ICT backup procedures and Disaster Recovery planning. Penetration testing exercise completed. Preparations for cyber resilience requirements by October 2018 underway. vii) Web filtering technology in place and uninterruptable power supply in place. viii) Fraud response plan in place	3	5	15	O2	15	No Change
O3	Failure to achieve a sustainable fit for purpose College estate	Organisational/ Financial	Goal 4 - Ensuring operational effectiveness and efficiency	Vice Principal - Resources & College Development	4	3	12	i) Capital masterplan in place and related to estates condition survey which highlights required investment to maintain College estate. Funding for 2018/19 for very high priority items from condition survey allocated to GCRB although these have still to be finalised and there are logistical issues in spending the funds within the timeframe. ii) Work with GCRB and SFC to ensure fully informed of estates requirements iii) Action being taken on Langside residences and dialogue ongoing with potential new lease holder.	2	3	6	O3	9	No Change
O4	Failure to recruit and retain an appropriately skilled and effective workforce	Organisational/ Reputational	Goal 2 & 4 - Growing exceptional partnerships & Ensuring operational effectiveness and efficiency	Assistant Principal HR	3	5	15	i) Recruitment and retention of staff for some skills areas remains challenging and College continues to use a range of approaches as appropriate. ii) Maintain open channels of communication with trade unions, college managers and their staff, and effective attendance management process in place. iii) All new staff have an induction process and annual training programme undertaken. iv) Cover arranged as required for absence of key staff members. v) Appropriate CPD provided for staff to meet identified skills gaps	2	4	8	O4	8	No change
O5	High Impact Disaster for College e.g. fire, long term power loss	Organisational	Goal 4 - Ensuring operational effectiveness and efficiency	Vice Principal - Resources & College Development	3	5	15	i) Health and safety risk assessments in place and required testing and audits completed on an annual cycle ii) Business Continuity Plan for College in place. iii) Estates condition survey completed and prioritising projects through estates based on affordability. iv) Business interruption insurance in place v) Fire integrity works to be completed at Anniesland summer 2018 vi) Mary Stuart building cladding report being prepared	2	4	8	O5	8	No Change

GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER								Key of abbreviations : SFC = Scottish Funding Council, GCRB = Glasgow Colleges Regional Board, GCG = Glasgow Colleges Group, SDS = Skills Development Scotland, ESF = European Social Fund, JISC = Joint Information Steering Committee		as at 9th May 2018				
					Score Before Mitigating Actions				Score After Mitigating Actions					
Risk Ref	New Risk Description	Risk Category	Link to Development Plan Goal	Risk Owner	Probability	Impact	Risk Score	Mitigating Actions	Probability	Impact	Risk Score	Risk Ranking after mitigating actions	Risk Score at last report to the Board	Risk Increasing/ Decreasing/ No Change
O6	Failure to achieve acceptably high standard quality of teaching delivery and support for students	Organisational/ Financial	Goal 1 - Delivering exceptional learning opportunities	Vice Principal - Curriculum & External Relations	3	4	12	i) Monitor of teaching KPIs across all subject areas and action taken to address areas of concern. ii) Quality mechanisms undertaken through annual cycle including self evaluation and internal and external verification processes. iii) Heads of Curriculum and Unit Managers monitor quality and delivery of service during year and follow up on any issues. iv) Faculty staff work with students association, class reps and student feedback mechanisms to monitor feedback on quality and follow up on any issues	2	2	4	O6	4	No Change
Governance Risks														
G1	Failure to meet all legislative and regulatory requirements and/or recommended guidance	Governance/ Reputational	Goal 4 - Ensuring operational effectiveness and efficiency	Principal/ Clerk to the Board	4	5	20	i) Work within roles, responsibilities and legal implications of Post-16 Legislation and associated related guidance. ii) Liaison with and maintaining ongoing dialogue with relevant bodies e.g. SFC, GCRB and Scottish Government. iii) College ensure full knowledge and implementation of legislative, regulatory and guidance requirements including requirements of Financial Memorandum with SFC. iv) Individual managers required to keep up to date with legislation relating to their areas and implement appropriate controls v) Ensure Board have appropriate training on key guidance and legislation and take proactive role of Board in ensuring meet all requirements. vi) Seek legal advice as required. vii) Prepare relevant people for potential attendance at Public Audit Committee in relation to Section 22 report and PR/media strategy and Board briefing pack to be developed viii) Prepare for General Data Protection Regulation coming into force on 25th May 2018	3	4	12	G1	12	No change
G2	Failure to recruit, train and retain an appropriately experienced Board of Management	Governance	Goal 4 - Ensuring operational effectiveness and efficiency	Clerk to the Board	3	4	12	i) Continue to maintain membership of Board of Management at suitable level with the correct level and mix of skills. Nominations committee now established. ii) Annual self assessment for Board members and training provided as required. iii) Induction provided for all new Board members. iv) Ensure Board undertake an ongoing programme of training to meet CPD needs. v) Board member handbook in place and an annual review/update to be undertaken.	2	3	6	G3	6	No change
G3	Failure to comply with Health and Safety requirements	Organisational	Goal 4 - Ensuring operational effectiveness and efficiency	Assistant Principal HR	1	5	5	i) Glasgow Clyde College Health and Safety Committee and Campus Forums meet regularly to monitor health and safety arrangements and any issues are raised. ii) Health and Safety Officers working across the three campuses and ensure annual cycle of health and safety audits are completed iii) Regular reporting on Health and Safety to Organisational Development Committee as part of their remit requirements.	1	4	4	G2	4	No Change