



FINANCE AND RESOURCES COMMITTEE

Wednesday 6 October 2021 at 4.30pm

A meeting of the Finance and Resources Committee will be held on Wednesday 6 October 2021 at 4.30 pm by Zoom.

A G E N D A

- | | | | |
|--------------|--------------------------|--|----------|
| 21.29 | Welcome and Apologies | | D Newall |
| 21.30 | Declarations of Interest | | D Newall |

Minutes of Previous Meeting

- | | | | |
|--------------|--|---|----------|
| 21.31 | Draft Minute of the Finance and Resources Committee of 2 June 2021 | P | D Newall |
| 21.32 | Matters Arising Action Grid | P | D Newall |

Items for Discussion

- | | | | |
|--------------|--|-------------|-------------|
| 21.33 | Draft Primary Financial Statements | P | T Elliott |
| 21.34 | Five Year Financial Plan Update | V | T Elliott |
| 21.35 | Estates, Capital Expenditure and Masterplan Update | P | J Thomson |
| 21.36 | Commercial and External Funding Update 2020/21
Outturn and 21/22 Plan | P | D McDougall |
| 21.37 | SFC Financial Forecast Return | P | T Elliott |
| 21.38 | Glasgow Clyde Education Foundation Update | P | J Thomson |
| 21.39 | Key Performance Indicators | P To Follow | J Vincent |

Items for Noting

- | | | | |
|--------------|---|---|-------------|
| 21.40 | Procurement Update | P | T Elliott |
| 21.41 | College Strategic Risk Register – Financial Risks | P | J Thomson |
| 21.42 | Committee Remit and Schedule of Work | P | C McConnell |
| 21.43 | Any Other Business | | D Newall |

Date of next meeting 1 December 2021 at 4.30pm
Location TBC

FINANCE AND RESOURCES COMMITTEE MEETING

Date of Meeting	6 October 2021
Paper Title	Estates, Capital Expenditure and Masterplan Update
Agenda Item	21.35
Paper Number	21.35A
Responsible Officer	Janet Thomson, Vice-Principal: Resources & College Development
Status	Disclosable
Action	For Discussion

1 REPORT PURPOSE

The purpose of this report is to provide a summary of the main current estates matters for Glasgow Clyde College and to provide an update on the capital expenditure against plan to date along with the capital masterplan update.

2 RECOMMENDATION

2.1 Committee Members are invited to discuss this paper.

3 PROGRESS AGAINST CAPITAL PLAN FOR 2020/21

3.1 The College's major Capital works are based on the College Estates Capital Masterplan, the College Estates Condition Survey of all the College buildings (as completed in 2014), plus College plans for addressing emerging needs in discussion with Estates, and the Faculties and Units.

3.2 For 2020/21 the College had £2.88M of initial capital allocation from SFC/GCRB which was £945k of lifecycle maintenance and £1.94M of high priority maintenance. There were eight Estates projects which the College had agreed to be the main priorities under the heading of this initial estates high priority maintenance allocation which are as below:

- Cardonald Lighting Replacement Phase 2; Cardonald Lightning Protection and Mary Stuart building Lighting and Fire Intruder Alarm;
- Mary Stuart Building Doors replacement;
- College Building Management System Replacement/ Upgrade;
- Anniesland Heating & Ventilation Works;
- Floorcoverings Replacement;
- Health and Safety Improvements - Fire Alarm upgrades, fire evacuation upgrades;

- Emerging High Priority Maintenance projects - External timber cladding repairs, student car park repairs;
 - Other Estates High Priority Maintenance Projects – There are a range of projects included in this line.
- 3.3 The capital expenditure against these planned projects as at 15th September is attached and these projects are now all completed.
- 3.4 Further to the above initial funding allocation there was also an additional SFC/GCRB estates capital allocation in 2020/21 to support economic recovery. The College received £403k of this funding for high priority maintenance and £196k for lifecycle maintenance. This was planned for use on the refurbishment of the Student Space at Anniesland. A tender was issued however there was a late issue flagged relating to documentation planning which caused a delay, and the College were also waiting on confirmation that the funding could be carried forward. There has now been a further delay due to supply chain issues with some materials and this project is carried forward to commence in November 2021.
- 3.4 There was a challenge in completing all of the works for the 2020/21 projects (as well as the 2019/20 brought forward projects) both in terms of normal logistics through the number of projects involved and through timing of allocation of funding through to award of contract. Also there was the added challenge due to the issues of working on site in a COVID-related environment.
- 3.5 Given the challenges of completing the works and at the request of SFC the College submitted a return to them in early March 2021 on the use of the capital funds for the 2020/21 allocation and expenditure anticipated by end March 2021. Within this return, Glasgow Clyde College requested to carry forward £1.099M of capital funds from SFC financial year 2020/21 to financial year 2021/22. SFC confirmed that this funding allocation was able to be carried forward into 2021/22 and the College has now concluded the projects for the initial allocation as in paragraph 3.2 above as shown in the attached schedule with the one remaining carried forward project of the Student Space at Anniesland as explained in paragraph 3.3 above.

4 CAPITAL PLAN FOR 2021/22

- 4.1 The College received from GCRB its capital funding allocation for 2021/22 in early April. The funding allocation to the College for 2021/22 is £2.82M of capital allocation from SFC/GCRB split into £885k of lifecycle maintenance and £1.94M of high priority maintenance.

4.2 The capital plan for 2021/22 is based on priority needs from discussions and an informed survey of the sites together with any brought forward remaining works.

4.3 The capital plan for 2021/22 is shown in the attached and is as follows:

- Structure and Roof Works £160k;
- Building Fabric £275k;
- External Grounds & Drainage £545k;
- Heating, Ventilation, Air Conditioning and Water £465k;
- Electrical Systems & Controls, Fire and Security £498k;
- Mechanical Systems, Lifts & Hoists £12k.

Total £1.955Million.

4.4 There is a fuller list of projects supporting these figures although they are all estimates at this stage and some areas may move down the priority list if other needs emerge.

5 FUTURE YEARS' CAPITAL PLANS

5.1 The College has commissioned a condition survey during 2021/22 to help inform its future capital plans. This is currently being undertaken.

6 COVID-19 VIRUS IMPACTS ON ESTATES CAPITAL PLAN

6.1 The COVID-19 Virus had an impact on the College's 2019/20 Estates projects with work on these projects halted during the first lockdown and it took some time to mobilise again once contractors were allowed back on campus. There were also tight timescales to complete the 2020/21 projects plus ensuring all relevant documentation is in place and there had to be some review of timescales for starting several projects on site.

7 CATERING SERVICES RESTRUCTURE

7.1 One of the key matters being considered within estates over recent months is the Catering services of the College where the current catering team is being restructured. A consultation exercise was issued to staff and the unions in August which proposes having an in house catering service at each of the three campuses. The target for the revised service is

7.2 During the period of the pandemic the College catering team who are all at Cardonald have been on partial or full furlough as the College had limited staff and student footfall on campus. The furlough scheme ends at

the end of September and the new structure is planned to aim to secure roles for all of the previous Cardonald team across the three campuses and to provide a catering service at the Anniesland and Langside campuses which have been operating with only vending services since March 2020.

- 7.3 The consultation closed on 10th September and the final version of the structure is being currently worked on with the proposed timescale to implement the new structure after the October break. This is a challenge as it involves a number of staff moving campus and this is being done through an expressions of interest process. There are also three promotion opportunities within the new structure which are open to the existing staff to express interest in the roles.

8 RISK ANALYSIS

- 8.1 There is a risk that if the estates planned works are not progressed annually then the College estate will not be fit-for-purpose. There is also a risk in meeting the challenging tight timescale for the implementation of the new catering structure.

9 LEGAL IMPLICATIONS/FINANCIAL IMPLICATIONS/REGIONAL OUTCOME AGREEMENT IMPLICATIONS

- 9.1 There are no legal implications from this paper and the capital financial implications are captured above and in the College capital masterplan.

10 HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT?

- 10.1 An equality impact assessment will be completed for the new catering structure once the final structure is completed following the consultation responses now received.

Glasgow Clyde College
Capital Masterplan 2021/22 as at 15th September 2021

Paper 21.24A

Project Ref	Project Description - Capital Projects	Funded by	2021/22 Capital Projects Plan	Capital Projects 2021/22 Expenditure to 15th September	Comments
1	Structure and Roof Works	SFC/GCRB very high priority works capital funding allocation 21/22	£160,000	£0	Anniesland and Langside campuses. Window replacements, damp works and guttering repairs.
2	Building Fabric Works	SFC/GCRB very high priority works capital funding allocation 21/22	£275,000	£151,000	All three campuses. Majority at Cardonald. Toilet refurbishment is largest element.
3	External Grounds & Drainage	SFC/GCRB very high priority works capital funding allocation 21/22	£545,000	£57,000	Anniesland and Langside campuses. Fire Path improvements and various external areas needing improved including nursery externals and car park adjustments re disabled access
4	Heating, Ventilation, Air Conditioning & Water	SFC/GCRB very high priority works capital funding allocation 21/22	£465,000	£0	All three campuses. Includes air handling units, chillers replacements.
5	Electrical Systems & Controls, Fire & Security	SFC/GCRB very high priority works capital funding allocation 21/22	£498,000	£0	All three campuses. Lighting, CCTV, switchgear, building management system, barrier upgrades.
Capital Masterplan 21/22 projects total			£1,943,000	£208,000	

FINANCE AND RESOURCES COMMITTEE

Date of Meeting	6 October 2021
Paper Title	Glasgow Clyde Education Foundation Update
Agenda Item	21.38
Paper Number	21.38A
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 to the Committee an update on the Glasgow Clyde Education Foundation (GCEF) projects as at the end of July 2021.

2 RECOMMENDATION

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

3 BACKGROUND

- 3.1 The Glasgow Clyde Education Foundation (GCEF) is a separate independent charitable organisation from the College. The College can apply for funds to the Foundation providing they meet their charitable objectives and are approved by the Board of Trustees of GCEF.
- 3.2 Glasgow Clyde Education Foundation's charitable objectives as listed on OSCR are as follows:-

through grant giving (with a view that the organisation will grow its own funds to generate additional income for its beneficiaries) to enhance the learning experience for students, potential students and the communities (including by supporting (financially and otherwise) community and not for profit groups and organisations operating within the communities) served by Glasgow Clyde College (a registered Scottish charity, SC021182). In furtherance of its charitable purposes, the organisation will support (a) the delivery of improved teaching accommodation, facilities, infrastructure and/or equipment; (b) the development of teaching and curriculum resources and opportunities; and (c) staff development for the staff of the Glasgow Clyde College to assist and develop the student learning experience

- 3.3 A sum of £15M was transferred to the Foundation from the College in two sums between end of March 2014 and March 2015. There have been no further donations since that time. The Foundation has been considering bids since that time and has approved a range of bids over the period since it was set up although it is also the case that some bids have not been approved.
- 3.4 It has been agreed with the Chair of GCEF that going forward the College's Finance & Resources Committee should receive a regular update on expenditure on GCEF projects which will enable GCEF to be assured that the projects' expenditure is being monitored. The previous financial monitoring was undertaken through their Director however she has now left GCEF and this new monitoring method will now be in place. The attached paper therefore provides an update on the projects which were live during 2020/21 and the financial position for each as at the end of the financial year i.e. the end of July 2021.

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 GCEF is a separate charitable organisation and hence is a separate legal entity. The financial implications of each project are listed in the attached paper.

6 HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT?

N/A

Glasgow Clyde Education Foundation (GCEF) Projects Update Report at end July 2021

1. Introduction

There were 10 GCEF approved projects which remained live in 2020/21 and the purpose of this paper is to summarise progress against these projects indicating those which GCEF have taken the view as being at the closing off/final drawdown stage at end July 2021 and those which continue into 2021/22. The expenditure on approved projects will be monitored through the College Finance & Resources Committee from this point going forward. This report also indicates the remaining commitments from GCEF funding from previously approved projects and hence the impacts on the remaining balance of GCEF funds both from a strategic view for GCEF and for the College Board of Management.

1.1 Financial Value of Projects at Final Drawdown Stage at July 21

Of the 10 approved live projects during 2020/21 there are 5 which have been agreed to be at the final draw down stage at end July 2021 (as shown in Table 1 below) with final claims having been submitted to GCEF for any remaining balance and for which this remaining total has been remitted to the College via bank transfer. Two of these projects have fully completed however three still remain to have final elements of expenditure in 2020/21 with all three forecast to spend to the total of their original bid. For any of these with expenditure beyond July 2021 the College will treat these amounts as deferred income into 2021/22 and utilise these funds in the College accounts as the sums are expended. Reports will be submitted to GCEF in 2021/22 at March and July 2022 on the progress on the remaining planned spend as shown below.

Table 1 - Projects at Final Drawdown Stage at end July 2021

Project Description	Approved Bid Total	Actual to end July 21	Remaining Planned Spend	Updated Planned GCEF Total	Comments on updated planned total
Research & Development Programme	£235,825	£235,825	2021/22 spend is being College funded	£235,825	Completed GCEF funding. Activity continuing post July 21 is being College funded.
ICT Investment	£906,669	£906,669	£0	£906,669	Completed
Capital In Year Costs	£295,000	£203,775	£91,225	£295,000	Mainly Science Lab at Langside. Further work to be completed in 21/22
Staff Development	£302,000	£132,308	£169,692	£302,000	Balance to be spent in 2021/22 and 2022/23.
On Line Course Development : Care Training	£57,000	£41,390	£15,610	£57,000	To be completed in 21/22
Total Final Drawdown Projects	£1,796,494	£1,519,967	£276,527	£1,796,494	

An overview of each of the projects at final drawdown stage is given in section 2.1 below.

1.2 Financial Value of Ongoing Projects at end July 21

Of the 10 approved live GCEF projects during 2020/21 there are 5 which are still live projects beyond July 2021 in terms of GCEF funding, and for which ongoing claims dialogue will be held with the Foundation. The 5 projects which are still live GCEF funded projects for 2021/22 are summarised in Table 2 below.

Table 2 - Ongoing Projects at end July 2021

Project Description	Approved Bid Total	Actual to end July 21	Remaining Planned Spend	Updated Planned Total	Comments on updated total
Delivering Excellence in Learning, Teaching & Assessment (DELTA)	£686,700	£313,686	£373,014	£686,700	Total as per original bid
Supporting Commercial Income Growth	£745,000	£140,122	£309,878	£450,000	Reduced total as less staffing now planned from bid
Financial Sustainability Funding	£2,300,000	£900,000	£900,000	£1,800,000	Reduced from original bid
Business Transformation	£175,000	£65,806	£109,194	£175,000	Total as per original bid
Cardonald Public Realm	£652,000	£0	£652,000	£652,000	Planned expenditure to improve access and external environment
Total Ongoing Projects	£4,558,700	£1,419,614	£2,344,086	£3,763,700	

An overview of each of the ongoing projects is given in section 2.2 below.

2. Overview of each of the Ten GCEF funded Approved Projects at July 2021

A brief overview of each of these GCEF funded projects is given below firstly for the five projects at final drawdown stage and then for the five ongoing projects.

2.1 Overview of the Five Projects at Final Drawdown Stage at July 2021

2.1.1 Research and Development Programme - £236k

The Research and Development Programme was a thirty month project to study and consider approaches used in College to improve education delivery, systems, and outputs, and to build the capacity of the College to effectively undertake evidence-informed improvement activities.

The programme funded three development advisers who discussed the processes and interventions used in areas where improvements had been implemented and share that good practice for the benefit of other teams. The project has had positive feedback from the teams it has worked with and has been well received.

The GCEF funding of the project concluded in July 21 however the activity has been extended for a further year and is being funded for that period from College revenue budget funding for 2021/22. A plan for some potential future funding in support of this type of activity from 2022/23 is being considered.

2.1.2 ICT Investment - £907k

The ICT Investment project was to fund innovative technology for College learners and educators investing in solutions that embedded these technologies into their every-day experience. This was a very much appreciated investment in the College's ICT assets over a three year period and the equipment has all been purchased hence the project is fully completed.

2.1.3 Capital In Year Costs - £295k

This project funded capital expenditure for the College within its capital masterplan which would otherwise not have been able to be undertaken. This funding was mainly for the refurbishment of one of the Science laboratories at the Langside campus which did not have suitable disabled access plus a number of other smaller projects. There are some remaining works to be undertaken in 2021/22 to the Science Lab and other areas which will utilise the final sums.

2.1.4 Staff Development - £302k

This project funding was provided to support the College's Learning and Development activities to ensure the College have well trained teaching and support staff to deliver highly effective services to our students, who understand and implement the College's values, and with well-developed leadership skills. This project provided the investment required to deliver the short and medium term Organisational Development and Learning Development needs to achieve the planned programme for staff through 2021/22 and into 2022/23 including the implementation of the Leadership and Management Framework and activity to embed the new College values. There will need to be a budget cost reinstated from 2022/23 in the College's revenue budget to support the annual future costs of staff development.

2.1.5 On Line Course Development : Care Training -£57k

This funding was provided to create six units on-line at HN level in Social Care and Child Care. Some units still remain to be completed as on-line content and the remaining £16k will be utilised to complete these units as far as possible within the funding. The GCEF Director has indicated that GCEF may be open to an approach if any further funding is needed to complete the remaining units however given the changes since that time in remote and blended learning this is being reviewed. The remaining funds are planned to be utilised in 2021/22.

2.2 Overview of the Five Ongoing Projects at end July 2021

2.2.1 Delivering Excellence in Learning, Teaching and Assessment (DELTA) - £687k

The aim of this project is to achieve learning and teaching transformation through delivering a new more embedded digital approach for the College and with a more engaging use of the College Virtual Learning Environment (VLE). The project's overall purpose is to ensure the College's academic staff have the skills, confidence and support to deliver an engaging curriculum that develops and prepares students for the digital age, and that provides a first class, inclusive learning and teaching experience. This is a lengthy project over a three year period hence the scale of the funding.

Part of the funding was used to purchase a new VLE with the College moving to Canvas which is a more intuitive and user friendly product than that which was previously in use. The other main element of the funding was to staff a team of learning technologists to work with teaching staff to deliver the transformation of the learning content for students and to make the best use of the new VLE.

This project was very well timed as the move to the VLE was taking place during 2019/20 with a view to switching over fully by the summer of 2020. As the pandemic began to impact on learning and teaching from March 2020 the College was then well placed to move more quickly to the new VLE and to supporting staff and students in the new mode of remote learning.

The project is ongoing and the learning technologists continue to work with teaching staff in providing content which uses the new VLE most effectively. It is intended this will continue to November 2022 using the remaining balance of the funding. There will then need to be a consideration of the future shape of this activity and the level of revenue funding for it from the College's annual revenue budget.

2.2.2 Supporting Commercial Income Growth – was £745k now reduced to £450k

The College had an ambitious growth plan for commercial income as agreed by the College Board of Management in last quarter of 2018 which was to increase the annual commercial income up to £5M. This funding bid was submitted to GCEF to provide support for this commercial growth plan and was mainly for additional staff to provide capacity for this growth to be achieved and for annual commercial marketing expenditure plus annual commercial marketing expenditure. The bid was submitted in 2019/20 for a period of three years through to 2022/23.

There has now however been a significant shift in the commercial growth plan following the COVID pandemic and there has now been a revised commercial strategy put on place which was firstly a firstly a recovery plan moving to a steady growth state in future years from 2021/22. Within this revised strategy there is a lower level of income planned and lower numbers of additional staff are planned to achieve this revised position hence the original bid of £745k over the three years has now been reduced to £450k.

2.2.3 Financial Sustainability – was £2.3M now reduced to £1.8M

This bid was approved for funding of a total of up to £1.8Million in 2020/21 and up to £500k in 2021/22 to provide a financial bridge for the College to achieve financial sustainability.

The College had a three year financial plan from 2020/21 to 2022/23 as agreed by the Board of Management, which included recurrent staff cost savings to move the College from what was forecast to have been an increasing financial deficit position annually, to a sustainable break even/ small surplus position annually in future by 2022/23. The approved GCEF funding was requested to enable the College to sustain a range of key College services during a process of financial savings and to enhance the student experience through a process of change and modernisation to meet changing student demands and the needs of learning and teaching with a greater focus on on-line and blended requirements and digital related student services.

The College has undertaken this programme of change and financial savings to achieve financial sustainability with staff reductions mainly through the academic management restructure however across a number of support areas to achieve the overall target reductions from the process. The final total of this funding to be drawn down has now been reported to the Board as part of the College Revenue Budget 2021/22 approval in June 2021 to be £900k in 2020/21 and a further £900k in 2021/22.

2.2.4 Business Transformation - £175k

The purpose of this project is to benefit staff and students through a business transformation programme with a number of systems developments and through providing staff with techniques for new ways of working for the development of improved processes which will aim to reduce unnecessary work and relieve workload pressures.

The College is seeking to review its business processes to ensure they are suitable for the challenges of the future and in particular to ensure the maximum use is made of digital solutions. The project will focus on providing a methodology for the College for business improvement and innovation for the future, training a range of staff in improvement techniques to inspire and nurture future change. This process will seek to improve efficiency and effectiveness in key areas and to eliminate duplication in any process, removing rework and reducing any wasted use of resources. This project is to ensure that Glasgow Clyde College is a sustainable high performing College which can achieve business transformation to meet the challenges of the future through the financial environment of increasing costs.

The project to date has focussed on funding system improvements in the College's key systems of the HR & Payroll system, the student records system and the Finance system. The next stage is to access training and knowledge transfer of business improvement and innovation techniques for the future for a key number of staff and to provide awareness of these techniques to the wider College managers including the new team of academic management

Curriculum Quality Leaders and Curriculum Managers who can therefore be supported in the period of future development for them and for the College.

2.2.5 Cardonald Campus Public Realm Capital Project - £652k

Following the Estates Strategy Review which was funded by GCEF and undertaken by Gardiner and Theobald and BDP, this was the first of the proposals for the College estate which was for the Cardonald campus and was approved for funding by GCEF. The funding was agreed for the provision of an upgraded environment at the Cardonald campus and to provide revised access through the combined entrance at the link Corridor building between the Main Tower Building and the Skills Centre. This proposal will provide a better overall student environment and sense of arrival, improved security and will create a focal point for entry for all students to the campus creating a hub within the building as well as providing improved physical appearance and improved landscaping.

3. Future Plans Position for Remaining Balance of GCEF funding

After the conclusion of the above ten projects either at final drawdown stage or the ongoing projects there remains £3.6Million of Foundation funding. GCEF requested a summary of proposals for the potential use of this final funding if it is to be used for several strategic projects over the next few years. There was a Strategy meeting of GCEF on 24th August to consider potential significant areas which could be funded by these remaining funds. The College Chair and the Principal attended and following discussions within the College Senior Leadership Team four outline proposals were put forward as follows :-

- **De-carbonisation and the plan to reduce to net zero** – this would be a focus on reviewing the College curriculum in key areas to target the new skills required to deliver to the ambitious targets.
- **Excellence in Learning, Teaching and Assessment for the future** – a potential bid for the future activity in this area once the above DELTA project concludes.
- **Centres of Excellence/ Industry 4.0** – a potential bid to target areas of the curriculum to develop centres of excellence in anticipated key areas of the economy.
- **The Learning Estate** – a potential bid for capital developments which would open up areas of the College estate for more flexible use for students both for self study or for social integration within the College.

There was a discussion at the Board Development Event in early September on the next stages on potentially taking forward any or all of the above four significant areas with potential bid(s) to be made at a future date to GCEF.

FINANCE AND RESOURCES COMMITTEE

Date of Meeting	6 October 2021
Paper Title	Key Performance Indicators
Agenda Item	21.39
Paper Number	21.39
Responsible Officer	Jon Vincent, Principal and Chief Executive
Status	Disclosable
Action	For Discussion

1 **REPORT PURPOSE**

- 1.1 The purpose of this report is to provide committee members with a draft set of Key Performance Indicators for monitoring by the Financial and Resources Committee on an on-going basis.

2 **RECOMMENDATION**

- 2.1 The Board of Management is requested to note the content of this report.

3 **BACKGROUND**

At the Board of Management development event, held on 8 September 2021, discussion took place regarding the role of the Board's committees in monitoring Key Performance Indicators. It was agreed that the committees would monitor an agreed set of Key Performance Indicators at each meeting and report by exception any which are worthy of note to the next meeting the Board of Management. This report proposes a set of Key Performance Indicators which the Finance and Resources may wish to monitor on an ongoing basis.

4 **PROPOSED KEY PERFORMANCE INDICATORS**

The following Key Performance Indicators are proposed for ongoing monitoring by the Finance and Resources Committee at each meeting. Each KPI is a 'leading indicator' which can be meaningfully reported to each meeting and will allow committee members to review the performance of the College.

4.1 **Financial Performance**

- Forecast/Actual annual operating position
- Number of days' expenditure fundable by cash balances
- Forecast percentage total income from non-SFC sources
- Income from participant funded courses against target
- Commercial income and contribution level against target

4.2 **Contract Fulfilment**

- Percentage delivery against SFC Credit target
- Number of MA starts (college managing agent) against target
- Number of FA starts against target
- FWDF income against target

4.3 **Resource Utilisation**

- Lecturer utilisation level
- Assessor utilisation level
- Room utilisation level

4.4 **Sustainability & Recycling**

- Tonnes of CO2 emissions
- Volume of paper consumed
- Number of print copies (both mono and colour)
- Tonnes of waste generated (recyclable and non-recyclable)

5 **Risks**

The proposed model of KPI reporting is intended to act as a mitigation measure to reduce the likelihood and severity of key risks.

6 **Legal Implications**

There are no legal implications arising from the content of this report.

7 **Financial Implications**

There are no direct financial consequences arising from the content of this paper.

8 **Regional Outcome Agreement Implications**

There is no implication for our contribution to the Regional Outcome Agreement arising from this paper.

9 **Equality and Diversity Implications**

There are no direct equality and diversity implications arising from the content of this report and thus an impact assessment has not been undertaken.

FINANCE AND RESOURCES COMMITTEE MEETING

Date of Meeting	6 October 2021
Paper Title	College Strategic Risk Register: Financial Risks
Agenda Item	21.41
Paper Number	21.41A
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	For Noting

1 REPORT PURPOSE

- 1.1 This report considers the Financial Risk areas within the College's Strategic Risk Register which is updated regularly and reported to the Board of Management on a quarterly basis.

2 RECOMMENDATION

- 2.1 Committee Members are invited to note this paper.

3 BACKGROUND

- 3.1 The College's Strategic Risk Register as at 21st September is attached. The Strategic Risk Register is updated regularly and considered at least quarterly by College senior management.
- 3.2 The changes since last reported to the Board in June are highlighted in red.
- 3.3 Also, as per a recommendation in the recent Internal Audit Report on Risk Management and Business Continuity Planning a new column has been added to compare the residual risk scores to the College Risk Appetite as explained in paragraphs 3.7 to 3.10 below.
- 3.4 Of the fifteen risks on the College Strategic Risk Register four of them are financial risks which are shown on the first page of the Register and are risks F1 to F4. Three of these are scoring as high risk after mitigating actions which are the risk of Failure to achieve surplus targets for commercial activity/Failure to achieve/maintain planned levels of non-SFC income, the risk of Failure to achieve contracted overall teaching delivery targets for any key partner (SFC/SDS/ESF), and the risk of Failure to reduce College cost

base on managed basis to meet requirements of the three year financial forecast. The College is monitoring each of these risks on an ongoing basis and taking all relevant actions to help to mitigate them as far as possible.

- 3.5 Some elements of the narrative against the financial risks have been updated to reflect for example that the revenue budget for 2021/22 has now been approved and the SFC funding allocations for the year are now finalised.
- 3.6 For risk F2 which is Failure to achieve contracted overall teaching delivery targets for any key partner (SFC/SDS/ESF) this has had a new mitigating action added which is "Continue to seek clarity on different SFC credits streams for 2021/22 & impacts for College". This additional mitigating action item has been added due to the wider range of SFC credit streams for 2021/22 where there are now five different SFC credit types as below :-
 - i. Core credits
 - ii. ESF credits (ending as separate credits after 2021/22)
 - iii. Young Persons Guarantee/ National Transition Training Fund Credits (new from 2020/21)
 - iv. Foundation Apprenticeship credits (new for 2021/22 and to be embedded in core in 2022/23)
 - v. Deferred students credits (new in 2021/22 and anticipated to be for one year only)

Although the risk score has not been increased overall for risk F2 this wider range of credit types all with their own requirements to be met has created a more complex planning and monitoring position across SFC credits and the related target delivery of activity.

- 3.7 As indicated above a new column has been added to the Risk Register to review the residual score of each risk against the College's Risk Appetite as recommended in a recent internal audit report.
- 3.8 The College's Risk Appetite as last reviewed by the Board in October 2020 is attached as Appendix B which uses the HM Treasury Orange Book Categories of Risk Appetite levels. This has five categories and these were used against four areas for the College i.e. strategic and operational delivery, reputation and credibility, financial/VFM, and compliance/legal/ regulatory. From this assessment by the Board each of the four areas was categorised as Open as shown in the shading in Appendix B and hence the overall College Risk Appetite was assessed as Open.
- 3.9 The comparison of each risk score in the Strategic Risk Register to the College Risk Appetite has been done using the Risk Scoring Mapping document as attached in Appendix C which uses the banding of risk scores

across the five appetite HM Treasury categories i.e. Averse, Minimalist, Cautious, Open and Hungry.

- 3.10 The new column in the Risk Register shows the comparison of the residual risk score for each risk against the risk scoring mapping and indicates where the risk score is higher than, equal to or lower than the College Risk Appetite of Open (which is the score range of 15 to 19 for the residual risk). Overall there is only one risk score which is above the College's Risk Appetite score band level which is risk **F1 Failure to achieve surplus targets for commercial activity/Failure to achieve/maintain planned levels of non-SFC income** where the residual risk score is 20. There are three risks which have a score equal to the Open level, and ten risks which are below the score level at either Cautious (six risks), Minimalist (three risks) or Averse (one risk) levels. The outcome of this comparison process to Risk Appetite will be discussed at the Committee.

4 **RISK ANALYSIS**

- 4.1 The College Strategic Risk Register is a key part of the College's risk management framework.

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

- 5.1 The College is required to have a risk register as part of the Financial Memorandum and the financial implications are detailed within the financial risks section of the College Strategic Risk Register.

6 **HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT ?**

- 6.1 N/A

GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER										Key for Risk Appetite Residual Score Comparison: 1-6 = Averse, 7-9 = Minimalist, 10-14 = Cautious, 15-19 = Open, 20-25 = Hungry						
Key for 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, FWFDF = Flexible Workforce Development Fund, VLE = Virtual Learning Environment, DELTA project = Delivering Excellence in Learning, Teaching and Assessment, VPN = Virtual Private Network										as at 21st September 2021						
Risk Ref	Risk Description	Risk Category	Link to Strategic Plan Themes	Risk Owner	Score Before Mitigating Actions			Mitigating Actions	Score After Mitigating Actions							
					Probability	Impact	Risk Score		Probability	Impact	Risk Score	Score compared to College risk appetite (see key above)	Risk Ranking after mitigating actions	Risk Timing Short / Medium / Long Term	Risk Score at last report to the Board	Risk Increasing/ Decreasing/ No Change
Financial Risks																
F1	Failure to achieve surplus targets for commercial activity/Failure to achieve/maintain planned levels of non-SFC income	Financial / COVID impacts	Theme 2 and 5 - Partner of Choice and Financial Resilience through Operational Excellence	Assistant Principal International and Business Development	5	5	25	<p>Short term</p> <p>i) Revised commercial income/surplus plan now for 2020/21 and plan to rebuild for future years by each sector area based on medium and long term impacts following COVID 19 virus.</p> <p>ii) FWFDF key element of total activity and increased level during 2020/21</p> <p>iii) Greater use of digital marketing to promote course areas as effectively as possible</p> <p>Long Term</p> <p>iv) Regular monitoring between Business Development Unit, External Funding Unit and Faculty Management of commercial activity/non-SFC activity and future replacement activity will be identified as far as can be estimated however significant impacts from COVID through 2020/21 at least.</p> <p>v) Pipeline of activity being re-established as much as possible based on on-line or on-site delivery</p> <p>vi) Costing templates completed for all commercial activity. In year staff costs transfers of permanent staff costs.</p> <p>vii) Increased engagement and marketing effort during COVID to try to maintain as much of business as possible and to open and grow new income streams e.g. for retraining.</p> <p>viii) Spread of activity across a range of activity areas to reduce risk of one large contract failure to overall surplus.</p> <p>ix) Review and develop market opportunities through business development strategy and growing new markets.</p> <p>x) Keep informed of constitutional change implications of Brexit and impact on non-SFC activity for the College. Involvement in College sector Brexit forum.</p> <p>xi) Continued work with key partners to ensure successful projects delivered and funding maintained as much</p>	4	5	20	Higher than risk appetite (Hungry)	F1	Short	20	No change
F2	Failure to achieve contracted overall teaching delivery targets for any key partner (SFC/SDS/ESF)	Financial/ Organisations / COVID impacts	Theme 2 and 3 - Partner of choice and Unrivalled Student Experience	Vice Principal - Curriculum & External Relations	5	4	20	<p>Short Term</p> <p>i) Regular analysis and reporting of progress against SFC credits target for teaching delivery which is discussed at each Senior Leadership Team and Curriculum Assistant Principals meetings.</p> <p>ii) Continue to seek clarity on different SFC credits streams for 2021/22 & impacts for College</p> <p>iii) Focused support for students to deliver student experience and to ensure stated teaching activity targets are met.</p> <p>iv) Closely monitor tuition fees income to assess potential COVID impacts on income</p> <p>Long Term</p> <p>v) Annually plan and deliver portfolio to required quality standards, ensuring appropriate recruitment, and improved retention of students.</p> <p>vi) 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</p> <p>vii) Work closely with relevant partners to ensure programmes implemented as planned</p> <p>viii) Aim to ensure annually all relevant agency (e.g. SDS) milestones and documentation requirements achieved</p> <p>ix) College undertake effective competitor analysis, clear branding and focused marketing to maintain effective student recruitment. Again significant COVID impacts on ongoing basis.</p>	4	4	16	As per Risk Appetite (Open)	F2	Short	16	No change
F3	Failure to reduce College cost base on managed basis to meet requirements of the three year financial forecast	Financial/ Organisations / COVID impacts	Theme 5 - Financial Resilience through Operational Excellence	Principal/ Vice Principals	5	5	25	<p>Short Term</p> <p>i) Revenue budget Financial-plan approved for 2020/21 to-2022/23-which-shows-required-cost-reductions-based-on-anticipated-income-reductions-due-to-COVID-impacts-</p> <p>ii) Cost reduction plan-being implemented in 2020/21 with which-requires reduction in staff levels and significant cuts in non-staff budgets across the College where-possible. VS Reductions and academic management restructure-now-being-implemented.</p> <p>Long Term</p> <p>iii) Process of review of all areas to seek cost reductions, as well as seeking further efficiency through improved business processes.</p> <p>iv) First staff restructure from October 2019 through use of VS scheme with required agreement with GCRB and SFC.</p> <p>v) Successful bid to GCEF for additional funding support from November 2020.</p> <p>vi) Discussion on future potential changes being taken forward.</p> <p>vii) Zero based budgeting from 19/20 onwards for non-staff costs.</p> <p>viii) Five year financial plan from 2021/22 to 2025/26 being prepared.</p>	3	5	15	As per Risk Appetite (Open)	F3	Medium	15	No change


GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER										Key for Risk Appetite Residual Score Comparison: 1-6 = Averse, 7-9 = Minimalist, 10-14 = Cautious, 15-19 = Open, 20-25 = Hungry						
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, FWDF = Flexible Workforce Development Fund, VLE = Virtual Learning Environment, DELTA project = Delivering Excellence in Learning, Teaching and Assessment, VPN = Virtual Private Network										as at 21st September 2021						
Risk Ref	Risk Description	Risk Category	Link to Strategic Plan Themes	Risk Owner	Score Before Mitigating Actions			Mitigating Actions	Score After Mitigating Actions					Risk Increasing/Decreasing/ No Change		
					Probability	Impact	Risk Score		Probability	Impact	Risk Score	Score compared to College risk appetite (see key above)	Risk Ranking after mitigating actions		Risk Timing Short / Medium / Long Term	Risk Score at last report to the Board
F4	Adverse Funding changes in 2021/22 2020/21(SFC/SDS/ESF) and future years	Financial / COVID Impacts	Theme 5 - Financial Resilience through Operational Excellence	Principal/ Vice Principals	4	5	20	<p>Short Term</p> <p>i) Financial plans developed by College Senior Leadership Team and monitored within framework of available activity 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 2020/21 being monitored with blended/ on line activity where possible.</p> <p>ii) College working to achieve Flexible Workforce Development Fund target levels however this was impacted by COVID 19 arrangements and number of the related areas now moved to on line delivery.</p> <p>iii) indicative Funding allocations for 2021/22 now finalised, have-been-provided-and-being-discussed</p> <p>Long Term</p> <p>iv) Continue to aim to inform and influence funding allocations through Principals' Forum, Glasgow Colleges Regional Board, MSPs, and other appropriate bodies.</p> <p>v) Work with Colleges Scotland and Scotland's Colleges Partnership on lobbying regarding impact on ESF funding and development of future alternative resources. Closely monitor ESF delivery levels and suitable record keeping.</p> <p>vi) Projects progressed to address priority items as per College Capital masterplan based on affordability.</p>	3	4	12	Lower than Risk Appetite (Cautious)	F4	Medium	12	No change

GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER										Key for Risk Appetite Residual Score Comparison: 1-6 = Averse, 7-9 = Minimalist, 10-14 = Cautious, 15-19 = Open, 20-25 = Hungry									
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, FWFDF = Flexible Workforce Development Fund, VLE = Virtual Learning Environment, DELTA project = Delivering Excellence in Learning, Teaching and Assessment, VPN = Virtual Private Network										as at 21st September 2021									
Risk Ref	Risk Description	Risk Category	Link to Strategic Plan Themes	Risk Owner	Score Before Mitigating Actions			Mitigating Actions	Score After Mitigating Actions										
					Probability	Impact	Risk Score		Probability	Impact	Risk Score	Score compared to College risk appetite (see key above)	Risk Ranking after mitigating actions	Risk Timing Short / Medium / Long Term	Risk Score at last report to the Board	Risk Increasing/ Decreasing/ No Change			
Organisational Risks																			
O1	Failure of College operational processes/ systems/ ICT infrastructure including risk of cyber attack or fraud	Organisational / COVID impacts	Theme 5 - Financial Resilience through Operational Excellence	Vice Principal Resources & College Development & Vice Principal-Curriculum & External Relations	4	5	20	Short Term i) Monitoring systems in place across College and feedback from relevant staff. Any issues addressed as necessary and action taken. Plans ensure key systems security / performance not impacted during periods of financially challenging budget. Many systems/services cloud based and using VPN/remote desktop for staff to access systems while home working. Delivered laptops and wireless devices to staff and students who need them within the available resources levels. Long Term i) Business system improvement process in place ii) 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 with tape/offsite and cloud backups of critical systems. v) Member of HE/FE Shared Technology and Information Services (HEFESTIS) which provides support to secure against cyber attack and regular ICT network penetration testing undertaken by external bodies. vi) ICT backup procedures and Disaster Recovery planning. Cyber essentials+ status maintained. vii) Enterprise Malware detection and Web filtering technology and room based uninterruptable power supply in place with ICT climate monitoring facilities. viii) Fraud response plan in place	4	4	16	As per Risk Appetite (Open)	O1	Medium	16	No Change			
O2a	Negative impact on employee relations at a National level (e.g. national bargaining, industrial action)	Organisational / Reputational	Theme 4 - Employer of Choice	Principal/ Assistant Principal HR	4	5	20	Short Term i) Focused work with Trade Unions, specific and regular meetings with senior management, ensuring good flow of information, and ongoing communications on any national matters. Long Term i) Representation made through Employers Association Group, Colleges Scotland, Principals Forum, and GCRB, within national bargaining process. ii) Emphasis being made nationally on imperative of financial sustainability and affordability issues particularly given increased staffing costs and challenges of the Glasgow Regional context. iv) Business continuity planning used to ensure all stakeholders appropriately communicated with in any potential industrial action.	3	5	15	As per Risk Appetite (Open)	O2a	Short	15	No change.			
O2b	Negative impact on employee relations at a local College level (e.g. local consultation)	Organisational / Reputational	Theme 4 - Employer of Choice	Principal/ Assistant Principal HR	4	5	20	Short Term i) Focused 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) COVID 19 related communication sent regularly to all staff from the Principal and union involvement in risk assessment discussions Long Term iv) Discussion with unions on impact on College financial sustainability and organisational impacts. v) Business continuity planning used to ensure all stakeholders appropriately communicated with in any potential industrial action. vi) Ensure transparency of College consultation process to maximise opportunities for enhanced communications with Trade Unions	3	4	12	Lower than Risk Appetite (Cautious)	O2b	Short	12	No change			
O3	Failure to achieve acceptably high standard quality of teaching delivery and support for students and suitable student experience	Organisational / Financial/ COVID impacts	Theme 1 & 3 - Inspirational Learning & Teaching & Unrivalled Student Experience	Vice Principal - Curriculum & External Relations	5	5	25	Short Term i) Regular monitoring of teaching KPIs across relevant curriculum measures and actions implemented to develop improvement strategies. ii) Quality Assurance processes undertaken through annual cycle of activities including self evaluation, verification, feedback and audit. iii) Heads of Curriculum and Unit Managers monitor quality and delivery of service and implement actions for improvement. Extensive training on Teaching, Assessment and E learning ensure staff are updated and enabled to deliver a high quality learning experience. iv) Faculty staff work with students association, class reps and student feedback mechanisms to monitor feedback on quality and follow up on any issues v) Monitor feedback from student focus groups on student experience Long Term vi) Significant deployment of digital resources to learners in areas of need to enhance delivery of blended learning approaches as well as the enhanced use of the VLE vii) A range of student feedback mechanisms are used to gather and inform improvement activities to improve the wider student experience. Development of classroom observation protocol as intimated in national bargaining. viii) Collaboration between teaching and support teams to ensure improvements and efficiencies are delivered where possible across College business processes and to deliver quality of services. ix) The DELTA E-Learning project and Research & Development Programme support a significant number of staff through capacity building, training and mentoring focused on delivering effective learning & teaching.	3	4	12	Lower than Risk Appetite (Cautious)	O3	Medium	12	No change			

GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER										Key for Risk Appetite Residual Score Comparison: 1-6 = Average, 7-9 = Minimalist, 10-14 = Cautious, 15-19 = Open, 20-25 = Hungry									
Key for 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, FWFDF = Flexible Workforce Development Fund, VLE = Virtual Learning Environment, DELTA project = Delivering Excellence in Learning, Teaching and Assessment, VPN = Virtual Private Network										as at 21st September 2021									
Risk Ref	Risk Description	Risk Category	Link to Strategic Plan Themes	Risk Owner	Score Before Mitigating Actions			Mitigating Actions	Score After Mitigating Actions										
					Probability	Impact	Risk Score		Probability	Impact	Risk Score	Score compared to College risk appetite (see key above)	Risk Ranking after mitigating actions	Risk Timing Short / Medium / Long Term	Risk Score at last report to the Board	Risk Increasing/ Decreasing/ No Change			
O4	Failure in any area of College data management processes	Organisational / Reputational/ COVID impacts	Theme 5 - Financial Resilience through Operational Excellence	Vice Principal Resources & College Development & Vice Principal-Curriculum & External Relations	4	5	20	Short Term i) Ongoing monitoring by ICT of any potential systems being targeted ii) Multi Factor Authentication being rolled out across College staff Long Term iii) Key business systems and processes contain range of controls with agreed practices and staff training and communication on practices/guidelines. Role based user access restrictions in place. iv) Procedures and guidance in place including guide for staff on information and data security with a list of key do's and don'ts v) Data protection officer works closely with managers on any data protection matters. Clear procedures and guidelines in place including process for any potential data breaches. vi) Data privacy notices for the College in place and published and data sharing agreements with other organisations are established. vii) Document retention scheme in place for all key record types viii) Member of HE/FE Shared Technology and Information Services (HEFESTIS) which provides information on data management and any sectoral updates. ix) Homeworking guidance in place for staff x) External agencies assurance & audit processes review areas of data management and any recommendations followed up.	3	4	12	Lower than Risk Appetite (Cautious)	O4	Medium	12	No change			
O5	High Impact Disaster for College e.g. fire, long term power loss	Organisational/ COVID impacts	Theme 5 - Financial Resilience through Operational Excellence	Vice Principal Resources & College Development	3	5	15	Long Term 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.	3	4	12	Lower than Risk Appetite (Cautious)	O5	Medium	12	No change			
O6	Failure to achieve a sustainable fit for purpose College estate	Organisational / Financial	Theme 1 & 5 - Inspirational Learning & Teaching & Financial Resilience through Operational Excellence	Vice Principal Resources & College Development	4	4	16	Short Term i) Need to plan within College tight resources due to financially challenging budget and items rephased as required. ii) Monitor use of College estate as result of COVID impacts and updated cleaning regime in place. iii) Plans for projects for use of the estates high priority maintenance funding Long Term iv) Capital masterplan in place and related to need/estates condition survey. Funding for very high priority items allocated by GCRB to College. v) Work with GCRB and SFC to ensure fully informed of estates requirements. vi) Estates Strategy Review completed	3	3	9	Lower than Risk Appetite (Minimalist)	O6	Long	9	No change			
O7	Failure to recruit and retain an appropriately skilled and effective workforce	Organisational / Reputational	Theme 1 & 4 - Inspirational Learning & Teaching & Employer of Choice	Assistant Principal HR	3	5	15	Short Term i) Maintain open channels of communication with trade unions, college managers and their staff, and effective attendance management process in place. ii) Cover arranged as required for absence of key staff members. iii) Need to manage to retain appropriate staff through challenge of restructures Long Term iv) College Strategic Theme of Employer of choice with attractive overall terms and conditions e.g. pension schemes, flexible working. v) All new staff have an induction process and annual training programme undertaken. vi) Appropriate CPD provided for staff to meet identified skills gaps vii) Managers work with their staff to consider any enhancements to skillsets and access to training e.g. webinars. General risk across staff in new levels of home working. viii) Recruitment and retention of staff for a few skills areas remains challenging and College continues to use a range of approaches as appropriate.	2	4	8	Lower than Risk Appetite (Minimalist)	O7	Medium	8	No change			

GLASGOW CLYDE COLLEGE - STRATEGIC RISK REGISTER										as at 21st September 2021									
Key for 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, FWFDF = Flexible Workforce Development Fund, VLE = Virtual Learning Environment, DELTA project = Delivering Excellence in Learning, Teaching and Assessment, VPN = Virtual Private Network										Key for Risk Appetite Residual Score Comparison: 1-6 = Averse, 7-9 = Minimalist, 10-14 = Cautious, 15-19 = Open, 20-25 = Hungry									
Risk Ref	Risk Description	Risk Category	Link to Strategic Plan Themes	Risk Owner	Score Before Mitigating Actions			Mitigating Actions	Score After Mitigating Actions										
					Probability	Impact	Risk Score		Probability	Impact	Risk Score	Score compared to College risk appetite (see key above)	Risk Ranking after mitigating actions	Risk Timing Short / Medium / Long Term	Risk Score at last report to the Board	Risk Increasing/ Decreasing/ No Change			
Governance Risks																			
G1	Failure to comply with Health and Safety and Safeguarding requirements	Organisational / COVID Impacts	Theme 1 & 5 - Inspirational Learning & Teaching & Financial Resilience through Operational Excellence	Assistant Principal HR	4	5	20	<p>Short Term</p> <ul style="list-style-type: none"> i) COVID related operating arrangements discussed at SLT. ii) Full review of Health and Safety Policy and Procedures being undertaken <p>Long Term</p> <ul style="list-style-type: none"> iii) Glasgow Clyde College Health and Safety and Safeguarding Committee and Campus Forums meet regularly to monitor health and safety arrangements and any issues are raised. iv) Safeguarding officers and safeguarding forum on each campus v) Health and Safety Officers working across the three campuses and ensure annual cycle of health and safety audits are completed vi) Regular reporting on Health and Safety to Organisational Development Committee as part of their remit requirements 	2	5	10	Lower than Risk Appetite (Cautious)	G1	Short	10	No change			
G2	Failure to meet all legislative and regulatory requirements and/or recommended guidance	Governance/ Reputational/ COVID Impacts	Theme 2, 4 & 5 - Partner of choice, Employer of Choice, & Financial Resilience through Operational Excellence	Principal/ Clerk to the Board	4	5	20	<p>Short Term</p> <ul style="list-style-type: none"> i) Close involvement in ongoing discussions on COVID 19 implications with SFC and representative forums to contribute towards sector input to seek support for current and future resultant challenges ii) Ongoing engagement at Board and Senior Leadership Team level with the SFC Review <p>Long Term</p> <ul style="list-style-type: none"> iii) Work within roles, responsibilities and legal implications of Legislation and associated related guidance. iv) Liaison with and maintaining ongoing dialogue with relevant bodies e.g. SFC, GCRB and Scottish Government. College ensure full knowledge and implementation of legislative, regulatory and guidance requirements including requirements of Financial Memorandum with GCRB. v) Individual managers required to keep up to date with legislation relating to their areas and implement appropriate controls vi) Ensure Board have appropriate training on key guidance and legislation and take proactive role in ensuring meet all requirements. vii) Modern Slavery statement in place viii) Quality audit process in place and DELTA project delivering greater levels of blended learning with staff. Internal audit review process considers range of areas annually. ix) Seek legal advice as required. x) Data Protection Officer in place to advise on General Data Protection Regulation/ Data Protection matters. 	3	3	9	Lower than Risk Appetite (Minimalist)	G2	Medium	9	No change			
G3	Failure to recruit, train and retain an appropriately experienced Board of Management	Governance	Theme 1, 2, 3, 4 & 5 - inspirational Learning & Teaching, Partner of Choice, Unrivalled Student Experience, Employer of Choice, & Financial Resilience through Operational Excellence	Clerk to the Board	3	4	12	<p>Long Term</p> <ul style="list-style-type: none"> i) Continue to maintain membership of Board of Management at suitable level with the correct level and mix of skills. Succession planning taking place with the Nominations Committee considering future vacancies well in advance. ii) Recruitment of new Board members to consider diversity of membership (e.g. gender and ethnic background) iii) Annual self assessment for Board members and training provided as required. iv) Board effectiveness review completed. v) Induction provided for all new Board members. vi) Ensure Board undertake an ongoing programme of training to meet CPD needs. vii) Board member handbook in place and an annual review/update to be undertaken. 	2	3	6	Lower than Risk Appetite (Averse)	G3	Medium	6	No change			

College Risk Appetite – Classification by Risk Activity Area

	1 Averse	2 Minimalist	3 Cautious	4 Open	5 Hungry
Overall 	Avoidance of risk and uncertainty is a key organisational objective	Preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward	Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward	Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward	Eager to be innovative and to choose options offering potentially higher business rewards (despite great inherent risk).
Category of Risk	Example behaviours when taking key decisions				
Strategic and Operational Delivery	<ul style="list-style-type: none"> Defensive approach to objectives – aim to maintain rather than innovate Priority for tight management controls and oversight with limited devolved decision making authority General avoidance of systems/ technology developments 	<ul style="list-style-type: none"> Innovations always avoided unless essential Decision making authority held by senior management Only essential systems/ technology developments to protect current operations 	<ul style="list-style-type: none"> Tendency to stick with the status quo, innovations generally avoided Decision making authority generally held by senior management Systems/technology developments limited to improvements to protection of current operations 	<ul style="list-style-type: none"> Innovations supported, with demonstration of commensurate improvements in management control Systems/ technology developments considered to enable operational delivery. Responsibility for non-critical decisions may be devolved 	<ul style="list-style-type: none"> Innovation pursued – desire to break the mould and challenge current working practices New technologies viewed as a key enabler of operational delivery High levels of devolved authority – management by trust rather than tight control
Reputation and credibility	<ul style="list-style-type: none"> Minimal tolerance for any decisions that could lead to scrutiny of the College 	<ul style="list-style-type: none"> Tolerance for risk taking limited to those events where there is no chance of any significant repercussions for the College 	<ul style="list-style-type: none"> Tolerance for risk taking limited to those events where there is little chance of any significant repercussions for the College should there be a failure 	<ul style="list-style-type: none"> Appetite to take decisions with potential to expose the College to additional scrutiny but only where appropriate steps have been taken to minimise any exposure 	<ul style="list-style-type: none"> Appetite to take decisions that are likely to bring scrutiny of the College but where the potential benefits outweigh the risks
Financial/VFM	<ul style="list-style-type: none"> Avoidance of financial loss is a key objective Only willing to accept the low cost option Resources withdrawn from non-essential activities 	<ul style="list-style-type: none"> Only prepared to accept the possibility of very limited financial loss if essential VFM is the primary concern 	<ul style="list-style-type: none"> Prepared to accept the possibility of some financial loss VFM still the primary concern but willing to also consider the benefits Resources generally restricted to core operational targets 	<ul style="list-style-type: none"> Prepared to invest for reward and minimise the possibility of financial loss by managing the risks to a tolerable level Value and benefits considered (not just cheapest price) Resources allocated in order to capitalise on potential opportunities 	<ul style="list-style-type: none"> Prepared to invest for the best possible reward and accept the possibility of financial loss (although controls may be in place) Resources allocated without firm guarantee of return
Compliance/Legal/Regulatory	<ul style="list-style-type: none"> Avoid anything that could be challenged, even unsuccessfully 	<ul style="list-style-type: none"> Want to be sure we would win any challenge 	<ul style="list-style-type: none"> Want to be reasonably sure we would win any challenge 	<ul style="list-style-type: none"> Challenge will be problematic but we are likely to win it and gain will outweigh the adverse consequences 	<ul style="list-style-type: none"> Chances of winning are less certain but success would be significantly advantageous.

Mapping the Risk Appetite scores to the Residual Risk Score

Risk Classification	Risk Score	Colour	HM Treasury Orange Book Category
VERY HIGH	Risks with a score of above 20		5 - Hungry
HIGH	Risks with a score of between 15 and 19		4 - Open
SIGNIFICANT	Risks with a score of between 10 and 14		3 - Cautious
MODERATE	Risk with a score of between 7 and 9		2 - Minimalist
LOW	Risks with a score lower than 7		1 - Averse



FINANCE AND RESOURCES COMMITTEE MEETING

Date of Meeting	6 October 2021
Paper Title	Finance and Resources Committee Remit and Schedule of Work 2021/22
Agenda Item	21.42
Paper Number	21.42
Responsible Officer	Christine McConnell, Clerk to the Board
Status	Disclosable
Action	For Noting

1 **REPORT PURPOSE**

The purpose of this report is to ask the Committee:-

- (1) to note the Committee's Remit contained in Appendix 1;
- (2) to note the Schedule of Work for the forthcoming session as contained in Appendix 2; and
- (3) to consider the recommendation in the Board Development Plan 2021/22 that each Committee should consider using co-opted members.

2. **BACKGROUND**

2.1 In accordance with the College's Articles of Governance, each Committee must act in accordance with detailed Terms of Reference. The Finance and Resources Committee's current Remit is attached at Appendix 1.

2.2 The Schedule of Work attached at Appendix 2 has been prepared to programme the Committee's workload for the forthcoming session. This schedule is, of course, subject to change, in line with the Board and Committee's priorities.

2.3 In accordance with the recommendation from the externally facilitated review of the College's governance arrangements completed in April 2021 which has been incorporated into the Board Development Plan for 2021/22, each of the Board's Committees is asked to consider using co-opted members.

3. **ACTIONS FOR COMMITTEE**

The Committee is asked to note the Remit and Schedule of Work and also to consider the use of co-opted members for future meetings.

4. **RISK ANALYSIS**

N/A

- 6. LEGAL IMPLICATIONS/ FINANCIAL IMPLICATIONS/ REGIONAL OUTCOME AGREEMENT IMPLICATIONS**
Ensuring that the Committee remit is accurate is essential to ensure competency of decisions.
- 7. HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT**
N/A

APPENDIX 1

FINANCE AND RESOURCES COMMITTEE

REMIT OF COMMITTEE

These functions are delegated by the Board of Management to the Finance and Resources Committee

REMIT

Having regard to the need for financial stability of the College:

- 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 financial performance on a regular basis
- To review the performance against target of commercial activities
- To monitor expenditure against the agreed capital masterplan
- To monitor cash balances
- To approve tuition fees
- To approve Financial Regulations

To fulfil this function the Committee will

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

The Finance and Resources Committee will liaise as appropriate with the Audit Committee, Board of Management and all other Committees

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 four times per year.

QUORUM

The quorum set by the Committee is three members of which at least two should be Non-Executive members.

APPENDIX 2

Schedule of Work 2021/22

6th October 2021
For Discussion/Decision
Draft Primary Financial Statements
21/22 Cash Flow Forecast
2021/22 SFC Financial Forecast Return (<i>dependant on SFC timescales</i>)
2021/22 Budget Update (<i>if necessary</i>)
Restructure Update (<i>if required</i>)
Estates, Capital Expenditure & Masterplan Update
Commercial & External Funding Update 2020/21 Outturn and 21/22 Plan
For Information/ Noting
Procurement Update
Glasgow Clyde Education Foundation Update
College Strategic Risk Register – Financial Risks
Any relevant SFC or other publications
1st December 2021
For Discussion/Decision
Draft Financial Statements for Year ended 31 July 2021
Financial Report – Year to October 2021 and Forecast to July 2022
Estates, Capital Expenditure & Masterplan Update
Commercial & External Funding Update 2020/21 Outturn and 21/22Plan
Restructure Update (<i>if required</i>)

College Financial Regulations
Tuition Fee Approval
For Information/ Noting
Procurement Update
Glasgow Clyde Education Foundation Update (<i>if appropriate</i>)
College Strategic Risk Register – Financial Risks
Any relevant SFC or other publications
9th March 2022
For Discussion/Decision
Financial Report – Year to January 22 and Forecast to July 2022
SFC Indicative Funding Allocation for 21-22
Estates, Capital Expenditure & Masterplan Update
Commercial & External Funding Update
Restructure Update (<i>if required</i>)
Update on Draft Five Year Plan
For Noting/ Information
Procurement Update
Glasgow Clyde Education Foundation Update (<i>if appropriate</i>)
College Strategic Risk Register – Financial Risks
Any relevant SFC or other publications
1st June 2022
For Discussion/Decision
Financial Report – Year to April 22 and Forecast to July 2022
Estates, Capital Expenditure & Masterplan Update
Draft Revenue Budget for 2022-23
Financial Forecast Return
Commercial & External Funding Update
For Noting/ Information
Procurement Update
Glasgow Clyde Education Foundation Update (<i>if appropriate</i>)
College Strategic Risk Register – Financial Risks
Any relevant SFC or other publications