

GLASGOW KELVIN COLLEGE

AUDIT AND RISK COMMITTEE – 29 November 2022

Assurance Framework

Report by Vice Principal Operations

1 Introduction and Purpose

Following a report by the then external auditors in 2018, the College prepared an Assurance Framework and an Assurance Map, which was endorsed by the Audit and Risk Committee in November 2018.

The Code of Good Governance has recently been amended and at C.13 it states:

The Audit Committee must support the board and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the body's governance, risk management and internal control framework. The Scottish Government Audit and Assurance Committee Handbook promotes the development of an Assurance Framework to aid the Committee in fulfilling this role. See the link to this below.

<https://www.gov.scot/publications/audit-assurance-committee-handbook/>

This Framework has now been reviewed and revised and is presented to the Audit and Risk Committee at **Appendix 1** for consideration and approval.

2 Assurance Framework

The assurance framework is based on the methodology applied to the strategic risk register and seeks to provide a clear line between identified risks and the assurance the Board has in respect of each risk. For ease of reference, the risk rating (red, amber, green) is provided against each item. The Appendix provides definitions and seeks to describe how the detailed assurance mapping document works.

The main conclusion from the exercise is that there are sufficient levels of assurance available in respect of the majority of business risk areas, including substantial independent assurance in many cases. There are, however, a number of areas where assurance level is not graded 'green'. This is mainly due to the particularly wide scope or nature of the risk which makes it very difficult for the College, or indeed the existence of an independent source, to provide a high level of assurance. It is not proposed that the College seeks to provide an enhanced level of assurance in respect of these items at this stage.

In respect of review and reporting it is suggested that the Assurance Framework and map are reviewed once per year by the Audit and Risk Committee and that completion of this exercise is reported to the Board of Management via the minute of the meeting of the Audit & Risk Committee.

The map itself does not seek to provide a complete register of every source of assurance available, further detail on sources of assurance is available from Board and Committee agendas and annual reports and the College managers responsible for functional areas. Members are also reminded that they may seek assurance from any of the sources outlined in the 'Alternative Sources of Information' document, provided to all members routinely.

3 Resource Implications

There are no new resource implications associated with the contents of this report. No significant omissions from the range and levels of assurance available to the Board of Management and Principal have been identified. The current opportunity and direct cost associated with assurance is effectively built into existing staffing structures and budgets, any required increases in third line assurance will result in additional cost.

4 Impact on Students

There are no impacts on students as a consequence of this report.

5 Equalities

No disproportionate adverse impacts on individuals with protected characteristics have been identified as a consequence of this report.

6 Risk

The Assurance Framework seeks to provide further support to the College Risk Management Strategy. It provides another vehicle for considering the completeness of the Colleges governance, risk management and assurance processes and procedures.

No new risks have been identified and the development of an Assurance Framework provides further assurance that no material gaps in risk management or governance arrangements have been identified.

7 Data Protection

There are no data protection issues arising from this report.

8 Recommendations

Members are recommended to:

- i) note the contents of this report and **Appendix 1**;
- ii) approve the Assurance Framework and Map; and
- iii) note that moving forward the Assurance Map will be reviewed annually by the Audit and Risk Committee and by management and the Secretary to the Board of Management and reported to the Board of Management via the minute of the meeting of the Audit & Risk Committee

9 Further Information

Members can obtain further information on the contents of this report from Jeanette Evans, Vice Principal Operations, or Lisa Clark, Director of Corporate Services, lisaclark@glasgowkelvin.ac.uk.

JE/LC
Glasgow Kelvin College
November 2022

Risk Ref No	Risk Title	Risk Description	RR	1st Line of Assurance	2nd Line of Assurance	3rd Line of Assurance	Assurance Assessment	Comments
1	SFC Review	RISK: Being forced into position that is against our vision & mission, or reduces community engagement, e.g. A single governing body for Glasgow CAUSE: Failure to project a clear GKC identity or vision; failure to proactively engage in review; other voices are louder / stronger; or poor operating performance. EFFECT: Lose local autonomy; unable to meet local community needs; GKC identity is lost; loss of social footprint; loss of staff.	High	College Strategy and Operating Plans, promoting the vision of the College and its achievements.	Operational collaboration with the other Colleges in the Glasgow Region and wider.	Active engagement with GCRB, SFC, Scot Gov, & UK Gov during the process.	2	The College ultimately does not control this, but feedback from key stakeholders supports the College's position.
2	GKC Identity	RISK: Lack of understanding or awareness of the critical part GKC plays in communities; don't communicate USP CAUSE: Do not proactively promote identity, successes & uniqueness of GKC; ineffective comms on identity & successes; failure to illustrate impact we have; underinvestment in marketing / messaging. EFFECT: Weak employer engagement; students choose another college; affects risk no. 1	High	New College Communication, Marketing and Stakeholder Engagement Framework. Revised College staffing structure to support and implement new Framework.	New College Brand Strategy and new website being developed. Success of Framework and changed will be monitored via the new Comms & Marketing Forum.	Detailed plan of activities over the next 12- 18 months to raise the College profile on multiple levels, raising profile, increasing awareness of strengths, improving staff and student engagement and enhancing and developing partnerships.	1	
3	People	RISK: Not having agile, motivated, well-informed, or appropriately skilled workforce CAUSE: Demographics of workforce; national bargaining; Notification of strike dates by EIS and notification of a ballot for strike action from UNISON - impact of strike action on employment relations; lack of / insufficient CPD; failure to attract talented individuals; failure to retain talented individuals; unable to predict needs of the future; affordability of job evaluation. Staff loss through severance with the remainder left to manage service provision, potentially leading to de-motivation and negative impact on service delivery. EFFECT: Unable to compete with industry; staff ability to be innovative is restricted; unable to deliver curriculum in areas of	High	College Strategy, People Strategy, department Operating Plan and associated policies and procedures.	Workforce Planning Terms & Conditions Recruitment & Retention Process Trade Union Engagement NJNC Negotiations	Enhanced College Organisational Development Processes Learning Academy Focus on Health & Wellbeing 3-5 Year Planning.	2	While the College provides excellent terms and conditions, salaries may be more competitive elsewhere and the impact of the current financial pressures on the College sector may affect recruitment and retention of key staff.
4	Litigation / Compliance	RISK: Non-compliance with key legislative or regulatory requirements including COSHH CAUSE: Lack of awareness, understanding or training & development; poor compliance with established processes; not keeping up to date with changes in case law. EFFECT: Possible fines & litigation; reputational damage; implications for board	Medium	Key Strategies, policies and procedures.	Regular reporting and monitoring against targets and achievements. Staff training and awareness raising.	Internal and external audits.	1	

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5	Curriculum Relevance	RISK: Curriculum doesn't meet current or future needs of students, employers, or community partners, or the economy CAUSE: Ageing workforce; lack of curriculum innovation; staff knowledge & expertise; People risk (Risk No. 3); employer engagement; outdated or lack of resources; unreliable information / data; growth of digital teaching / you tube. EFFECT: Diminishing recruitment; reputation; student achievement;	High	College strategy and supporting strategies and operational plans. Targets set.	Regular review of courses - applications, numbers, retentions. Monitoring of achievements and plans developed to address any actions required.	Horizon scanning to develop new courses and amend or end existing ones to meet current and future skill requirements and employer needs.	1	
6	Sustainable Funding	RISK: Inability to secure appropriate levels of funding to deliver objectives/Foundation Apprenticeship arrangements changed, FWDF funding reducing year-on-year, re-distribution of credit activity for 2021-22, inflation high, energy prices soaring. CAUSE: constraints of current funding structures & levels; budget cuts; Scot Gov / SFC funding models; constraints in public finances; non-compliance; SFC mid-year budget review. EFFECT: loss of income; inability to deliver financially sustainable budgets; med-long term sustainability at risk; impact on curriculum delivery; job losses	Very High	College Strategy, Finance Strategy, Operational Plan, Targets and supporting policies and procedures.	3-5 year budgeting with quarterly forecasting. Close monitoring of the cash position.	Regular engagement with GCRB and SFC as far as possible. Lobby local and National politicians regarding Funding position.	4	While the College does all that it can to manage this risk, ultimately control does not rest with the College and this is a sector (and indeed Public Sector) issue.
7	Student Experience	RISK: Poor student experience CAUSE: Poor physical environment; quality of teaching; lack of teaching skills or resources; lack of support services, impact of industrial action and impact of COVID/long COVID on absence rates. EFFECT: Impact on retention of students; reputational damage among possible future students; financial instability; performance outcomes affected; relationship with employers; failure to deliver Government ambitions	High	College Strategy, Finance Strategy, Operational Plan, Targets and supporting policies and procedures.	High Quality Learning & Teaching Curriculum Planning Quality Assessment Staff CPD?GTCS Student Support Services & Student Funding Restructured Student Association Campus Reinvestment Project Freshers Week	Internal Audit - Excellent Report in 2021/22 Education Scotland/HMIE Student Surveys Success Rates	1	
8	Environment	RISK: College fails to meet targets in relation to sustainability, e.g. Net Zero CAUSE: Lack of resources to implement; lack of skills to implement; sustainability is not embedded within curriculum; cannot access funding; limited by pace of industry EFFECT: Do not meet targets; impact on future generations; reputation with students, future students, community & government affected	High	College Strategy, Finance Strategy, Operational Plan, Targets and supporting policies and procedures.	Appointment of Environmental Sustainability Manager Work with GCRB and Regional Sustainability Lead Develop Net Zero and Carbon Reduction Plan Set targets and measure Climate Change Reporting.	Implement Net Zero Plan Seek and secure funding to support implementation of necessary changes.	2	

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9	Digital Transformation	RISK: Inability to deliver Digital Transformation Strategy & Programme CAUSE: Lack of resources to implement; lack of skills to implement; user skills insufficient; poor change or project management EFFECT: Reputation with students & staff affected; operational effectiveness reduced; student experience deteriorates	Medium	College Strategy, Finance Strategy, Operational Plan, Targets and supporting policies and procedures.	Funding has been made available to support changes so far. Investment in staffing Increased training and awareness for wider staff Enhanced systems, but more changes to be made, Power BI, MyKelvin	Engage with GCRB and SFC to secure funding to support implementation of necessary changes. Work with the Regional and wider sector to accelerate digital enhancements and transformation. Internal Audit	1	
10	Student Recruitment & Retention	RISK: Fail to Recruit or Retain Sufficient students or learners CAUSE: Effectiveness of admissions process; monitoring of information; lack of identity; ineffective marketing; curriculum offer does not meet student needs, finances of students extremely stretched - travelling to College/eating/heating priorities all conflicting. Employment opportunities available. EFFECT: Students do not get access to quality learning & teaching; class sizes are not sustainable; reduced funding; additional expenditure; COVID-19 mental health challenges; impact on PI's/success rates. FE risk, cause/effects of COVID-19	High	College Strategy, Finance Strategy, Operational Plan, Targets and supporting policies and procedures.	Improved admissions process Investment in retention staffing and enhances process Monitoring of targets, keep warm activities at application/offer stage and early interventions once enrolled if issues.	Student Surveys New College Website New Brand and Marketing College Environment Project	2	
11	Cyber Risk	RISK: A widespread cyber-attack breaches college defence CAUSE: A malicious breach of college systems possibly caused by: user error / lack of training or education; lack of patch management; failure of perimeter security; poor development practices; lack of investment in protection EFFECT: Loss of business critical systems; college reputation damaged / loss of credibility; impact on individual people (data subjects); possible fines or litigation; cost to repair or restore; impact on students / student experience	High	College Strategy, Finance Strategy, Operational Plan, Targets and supporting policies and procedures.	The College has Cyber Essentials accreditation, with all the associated security measures and protocols necessary to support this. Staff undergo regular training. Business Continuity and other exercises to test the systems.	The College has secured Cyber Insurance, which is difficult to do. Internal Audit reviews this key area.	2	This is key area of risk for all organisations and the public sector has been extensively affected.

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12	COVID-19 - Ongoing Implications	RISK: Ongoing negative impact of COVID-19 on all aspects of College operations. CAUSE: COVID/Long COVID causing higher/ongoing levels of staffing absence due to illness/self-isolation. Staff members at work feeling under increased pressure. Individuals living in a constant state of fear for circa 2 years has resulted in mental health deterioration/issues related to anxiety/lack of confidence. Return to study/work/hybrid model causing feelings of unease. PCR testing/social distancing ending which may cause further unease. EFFECT: Loss of business, reduced student learning experience, higher than normal drop out rates/absence; high costs for staff cover, college reputation damaged/loss of credibility; very negative impact on different groups of people.	High	The College reviews and complies with all Covid governance and good practices.	Ongoing engagement and communications with Management, Trade Unions and Staff. CO2 monitoring across the College.	Monitoring of absence, support for staff who are absent and providing cover to support College activities.	2	The College does as much as it can to manage and mitigate this risk, but not entirely within its control.
13	Strike Action	RISK: Negative impact of teaching/support staff strike action in relation to pay rates/freezes on students coupled with the threat of action short of strike action (marking of assessments) with an additional threat of support staff strike action to follow. CAUSE: Teaching staff are requesting a better pay offer than they have received. This is a national matter and is being handled at a national level. EFFECT: Very negative impact on students who are only beginning to return to on-campus teaching. Lack of confidence in Colleges to provide the FE Training they require as strike action is an ever present threat and has been for many years. Drop out rates increase which has a negative effect on funding and PI's. Opportunity for HE institutions to deliver course requirements. Strike action could have a very detrimental effect on the sector as a whole. Students may submit a "failure to	Very High	Principal and Director of People and Culture involved in national talks.	Monitoring of impact on teaching delivery and identification of potential mitigations for lost learning.	Post strike the College and staff work hard to make up lost time/activities with students.	4	This risk is outwith the control of the College.

Risk Key:

Very High Risk
High Risk
Medium

RR: Residual Risk Score

Assurance Score:

1 - Good Assurance
2 - Medium Assurance
3 - Lower Assurance
4 - No Assurance