

Glasgow Kelvin College

Audit and Risk Committee - Meeting of 26 November 2024

Risk Management Framework

Report by Vice Principal Operations and Director of Estates and Corporate Services

1. Introduction

The purpose of this report is to provide an update to members in relation to the Risk Management Framework which was due for review in December 2024. The Risk Management Framework required to be updated following the changes to the Risk Appetite/Risk Categories as per the session held with David Archibald of Henderson Loggie, the Audit and Risk Committee review of these and the subsequent approval at the Board of Management.

There was also an audit recommendation in regard to risk that required to be fully implemented.

This has all now been actioned as detailed in this report.

2. Risk Management Framework Review

The Risk Management Committee reviewed the Risk Management Framework at their meeting on 5 November 2024. The general changes approved at this meeting were the changes made in blue text and other scored through text.

A training session was carried out with Team Risk Register owners in relation to the new Risk Appetite/Risk Categories as approved by the Board of Management. This session, which took place on 11 November 2024, resulted in further changes being made to the Risk Management Framework in terms of the Risk Assessment Matrix. These changes were detailed in orange text within the Risk Management Framework.

To further assist with the risk appetite mapping, residual risk scores were also assigned to the categories which will then highlight any anomalies. The Risk Appetite Scoring is as follows:

Risk Appetite Scoring				
Averse	Minimal	Cautious	Open	Eager
20-25	16-19	10-15	5-9	1-4

The changes to the Risk Assessment Matrix and Risk Appetite Scoring now allow Team Risk Register owners to quickly see if they are outwith the Risk Appetite set by the Board of Management; this is highlighted via conditional formatting to the Team Risk Registers.

The aforementioned improvements also mean that the internal audit action is fully actioned and is considered to be complete. This is covered in full elsewhere on the Audit and Risk Committee agenda.

A further meeting was held on 14 November 2024 with Risk Management Committee members and Team Risk Register owners to go over the Risk Assessment Matrix and Risk Appetite Scoring and how this would affect the Team Risk Registers. The amended Risk Management Framework was also circulated to all concerned.

The same Risk Assessment Matrix and Risk Appetite Scoring has also been applied to the College Strategic Risk Register.

The Risk Assessment Matrix is detailed below:

			Impact			
People	Minor skills impact	Minor impact to capability	Unavailability of core skills affecting service	Unavailability of critical skills or personnel	Protracted unavailability of critical skills/people	
	Minor injury or first aid treatment	Injury requiring treatment by medical practitioner	Major injury / hospitalisation	Single death and/or multiple major injuries	Multiple deaths	
Information	Compromise of information otherwise available in the public domain	Minor compromise of information sensitive to internal or sub-unit interests	Compromise of information sensitive to this organisation's operations	Compromise of information sensitive to organisation interests	Compromise of information with significant ongoing impact	
Property and Equipment	Minor damage or vandalism to asset	Minor damage or loss of <5% of total assets	Damage or loss of <20% of total assets	Extensive damage or loss of <50% of total assets	Destruction or complete loss of >50% of assets	
Reputation	Local mention only. Quickly forgotten. Freedom to operate unaffected. Self-improvement review required	Scrutiny by executive, internal committees or internal audit to prevent escalation. Short-term local media concern. Some impact on local level activities	Persistent national concern. Scrutiny required by external agencies. Long-term 'brand' impact	Persistent, intense national, public, political and media scrutiny. Long-term 'brand' impact. Major operations severely restricted.	International concern. Governmental inquiry or sustained adverse national / international media. 'Brand' significantly affects organisation abilities.	
Financial	2% of Project or Organisational Annual Budget	2-5% of Project or Organisational Annual Budget	5-10% of Project or Organisational Annual Budget	>10% of Project or Organisational Annual Budget	>30% of Project or Organisational Annual Budget	
Capability	Minimal impact on non-core business operations. The impact can be dealt with by routine operations	Some impact on business areas in terms of delays, systems quality but able to be dealt with at operational level	Impact on the organisation resulting in reduced performance such that targets are not met. Organisational existence is not threatened, but could be subject to significant review or changed way of working	Breakdown of key activities leading to reduction of performance (e.g. service delays, revenue loss, client dissatisfaction, legislative breaches). Survival of the project/activity/organisation is threatened.	Critical failure(s) preventing core activities from being performed. The impact threatens the survival of the project or the organisation itself.	
		Insignificant	Negligible	Moderate	Extensive	Significant
		1	2	3	4	5

	Qualitative likelihood	Quantitative likelihood		
Likelihood	Is expected to occur in most circumstances	Has occurred on an annual basis in this organisation in the past or circumstances are in train that will cause it to happen	Almost Certain	5
	Will probably occur in most circumstances	Has occurred in the past few years in this organisation or has occurred recently in other, similar organisations or circumstances have occurred that will cause it to happen in the next few years	Likely	4
	Might occur at some time	Has occurred at least once in the history of this organisation or is considered to have a 5% chance of happening in the next few years	Possible	3
	Could occur at some time	Has never occurred in this organisation but has occurred infrequently in other similar organisations or is considered to have a 2% chance of occurring in the next few years	Unlikely	2
	May occur only in exceptional circumstances	Is possible but has not occurred to date in any similar organisation and is considered to have very much less than a 1% chance of occurring in the next few years	Rare	1

Likelihood x Impact

25-31	Very High	Risk remains above acceptable level
15-19	High	Risk remains unacceptable
10-15	Medium	Risk must be monitored closely
5-9	Manageable	Risk is acceptable or can be managed
1-4	Low	Low, no further consideration required

↑	Increasing Trend
↓	Decreasing Trend
↔	Constant Trend

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The above Risk Assessment Matrix and Risk Appetite Scoring has been fully incorporated into the amended Risk Management Framework; this is attached as per [Appendix 1](#).

3. Impact on Students

There are no negative impacts as a consequence of anything within this report.

4. Risk and Assurance

There are no additional risk and assurance implications that are not covered within this report. The improved procedures in relation to identifying, managing, reviewing and mitigating risks are considered to be robust.

5. Equality

There are no equality implications arising as a consequence of the review of the Risk Management Framework.

6. Data Protection

There are no direct data protection implications arising as a consequence of anything within this report.

7. Environmental and Sustainability Impact

There are no environmental and sustainability impacts to note.

8. Resources

There has been additional management time spent on reviewing, training and updating the Risk Management Framework to meet audit requirements.

9. Recommendations

It is recommended that members note:

- a) the content of this report; and
- b) approve the Risk Management Framework as detailed in **Appendix 1** of this report.

10. Further Information

Further information can be obtained from Lisa Clark, Director of Estates and Corporate Services - lisaclark@glasgowkelvin.ac.uk, Morven Thomson, Cross College Support and Administration Manager – morventhomson@glasgowkelvin.ac.uk or Jeanette Evans, Vice Principal Operations – jevans@glasgowkelvin.ac.uk

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