Imperial College Union
Finance, Audit and Risk / 27 March 2024

Strategic Risk Register

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Purpose: To note the updated Strategic Risk Register

1. Introduction
As part of the Union's risk management framework the Finance, Audit and Risk Committee will consider the strategic risks and raise any questions related to the management of controls. The Committee are asked to note the Risk Register and suggest any feedback.

2. Risk Management Framework
The Union Risk Management framework is based on the 'three lines of defence' model that is most common within the charity sector and was adopted in the academic year 2020/21.

Line of Defence	Outputs	Monitoring & Reporting
First Line of Defence	Annual Operational Plans / Departmental Risk Registers Other policies such as: risk assessment policy, financial procedures manual.	These will be developed on an annual basis and reviewed termly by the senior manager and at the Management Committee. These will be reviewed on a triannual basis as part of a formal process.
Second Line of Defence	Strategic Risk Register Scheme of Delegation Reserves Policy	These will be formally reviewed annual each September by the full Board of Trustees. The Strategic Risk Register will be a standing item on the Finance & Risk Subcommittee. The Strategic Risk Register will integrate with the College's risk framework.
Third Line of Defence	Annual External Audit Annual Imperial College Internal Audit External Accreditation Schemes	These will take place annually and be reported to the full Board of Trustees.

The strategic risk register is a standing item for all meetings of Finance, Audit & Risk Committee, and at least annually for the Board of Trustees.

The diagrams in Figure 1 illustrate the 'top down' and 'bottom up' approaches to managing strategic and operational risks.

The Union categorises mitigating actions on the same basis as the College's risk management approach using the following definitions:

i.   Current Control. A control that has been fully implemented and is currently operational and active.
ii. Pending Control. A planned action to mitigate risk, either partially or yet to be implemented.

As per guidance from the College's Risk Manager, the Union Senior Management Team are reviewing strategic and operational risks on the following basis:

i.   Red Risk, reviewing the current and pending controls monthly (12 times per year).
ii.   Amber Risk, reviewing the current and pending controls twice per term (6 times per year).
iii. Green Risk, reviewing the current and pending controls once every three months (4 times per year).

Figure 1. Union Approach to Risk Management.

Risk is (re)evaluated in strategic risk register → Actions to mitigate risk are included within operational plans → Performance against this plan regularly reviewed through operational planning framework

Risk is incorporated into strategic risk register if necessary (or linked to an existing strategic risk) ← Strategic impact is assessed ← Risk to operational plan is idenfied in departmental risk register

3. Risk Register Summary of Changes

An updated risk register is included in section five. The Board meeting approved the previous risk register iteration in November 2023 and was reviewed in January 2024 by the Finance Audit and Risk Committee. The following noteworthy changes are summarised below to supplement the narrative and update contained in section four:

i.   Risk two. No change to risk rating, the Union is working collaboratively with the College to align strategic delivery now that the College's new strategy has launched. This will aide block grant discussions as we will be able to clearly link Union deliverables are also College strategic priorities.

ii.   Risk three. No change to risk rating but worthy of note. Block grant and capital investment in Union discussions are ongoing, if successful there will be a positive impact on risk mitigation across several strategic risks.

iii. Risk six. Increase in reputational risk impact due to small media coverage of relating to pest control. There is no escalation of a pest issue at Beit i.e., things have not deteriorated which have prompted the reports. Felix published an article on pest issues across the college estate. The Union engages with pest control contractor fortnightly and all actions are fully implemented. Pests are an endemic challenge across central London but an issue that are proactively managed, which it is. Summer works will include more focused pest control methods. Building redevelopment will help alleviate issues. This proactivity should reduce the pest issue and support mitigation of reputational damage.

4. Strategic Risk Register [March 2024]

The Union has identified 14 risks (all classed as threats) that it would categorise as strategic and that Board should ensure are actively managed.

	Risk Theme (College code)	Risk Description	Inherent Risk			Key Controls & Mitigating Actions	Residual Risk			Narrative & Update
			Impact (1-5)	Likely (1-5)	Score		Impact (1-5)	Likely (1-5)	Score	
1	Uncertainty (Business Continuity)	There is a major incident (for example a pandemic) that affects either the College and / or wider society in a manner that significantly hampers the organisation's ability to function.	5	2	10	**Current Control** A strong relationship with the College, articulated clearly in a partnership agreement that includes service level agreements for areas of key infrastructure. Membership of the College's Operations Committee by the Managing Director. **Pending Control** A business continuity and crisis communication plan based on *organisational resilience* which maps against our key service areas.	3	2	6	No Change. The business continuity plan was approved at the June 2023 Finance Audit and Risk. Finance, Audit and Risk updated on progress in October 2023 meeting with intended completion date in 2023/24. The Committee will be provided with a project closure paper in June 2024.
2	Strategic (Strategic Vision)	There is a lack of strategic direction within the Union, causing a loss of impact for all members from all backgrounds.	5	4	20	**Current Control** A clear strategy for the Union with a cycle for revision and renewal every two years. A working group is in place to guide the development of the next strategy. A range of longitudinal KPIs to monitor the Union's progress over a period of time. An annual planning round that links directly back to the strategy and associated KPIs. Development of Team level Balanced Scorecards and individual objectives linked to these. **Pending Control** An annual reporting cycle including impact reporting that demonstrates to members and other stakeholders how the Union is progressing against the plan, and what challenges lie ahead. Full alignment with new College strategy.	2	2	4	No change. The Trustee Board approved the new Union 2023-2028 strategy in July 2023. This includes a clear vision for the organisation and broad support from the College's senior management. Focus will now move towards developing impact report and measuring of strategy KPIs. The College has developed and launched its new organisational strategy. Work being undertaken to fully align College and Union strategy and collaboration. Managing Director and Director of Membership Services to meet with College Chief of Staff to discuss strategic alignment. Business planning round 24/25 has started with Operational Managers briefed in January 2024. Further update paper is provided for FAR March 2024 with assurance on assumptions and budget holder training provided.
3	Financial (Financial – Change in Funding Model)	There is insufficient funding within the Union to deliver the strategic plan and associated activities and services.	5	3	15	**Current Control** A financial model for the Union agreed with the College, distinguishing between 'core' and 'enterprise' activities, and how these are funded. A budgeting round that links directly back to the strategy and associated KPIs. New business planning cycle led by Director of Support Services.	3	4	12	No Change. Block grant funding case 2024/25 submitted to key stakeholders for feedback. Iteration number 2 now being developed for submission to ICL CFO by Easter closure. We have been provided positive support for the business case but the funding case is

#	Risk	Description	L	I	Score	Controls	L	I	Score	Update
						Pending Control Establishment of multi-year budgeting to support planning. New Block Grant Business Case to include additional support for priority areas. Capital Funding Long term plan Procurement disclaimer on website and training relating to unauthorised contracts.				subject to further scrutiny as part of more general college prioritisation exercise. In conjunction with block grant funding case negotiations with College regarding capital funding also occurring with a joint feasibility study being commissioned for Union space with Estates, and White City Development Team. Estates have conducted initial site walkaround at Beit to inform next step of Beit refurbishment project, and we continue to engage positively with White City consultation work. Student group funding review is complete and has identified requirement for additional control to support CSPs with appropriate management of Union funds. Block grant includes request for additional support for this area as a mitigation. Planning for scenario where block grant does not increase is also taking place and will factor into budget planning. This will reduce financial risks related to student groups. It was highlighted as part of the student group funding review that there is an issue related to unauthorised contract signing ie members of the Union signing contracts with suppliers without authorisation as part of student group activity. Work is required with College legal to understand the appropriate mitigation but likely a general procurement disclaimer or similar should be on the Union website.
4	Financial (Financial – Reducing Income)	There is a significant reduction in the income generated by our social enterprise, or a significant increase in the costs associated with operating them.	4	4	16	**Current Control** A robust financial reporting system, including management accounts, that enables the Union to monitor sales and adjust costs accordingly. A financial model for the Union's social enterprise activities that includes a designated reserve to 'smooth out' income and cost fluctuations within year and invest in cyclical improvements. Recruit a senior manager with responsibility for income generation. The outsourcing of catering to reduce the Union's loss making activity. External stock takers to be appointed for the full year 2023-24. Retail stock take quarterly, venues monthly.	3	4	12	No Change Development of Union Commercial Strategy is in research phase with intended completion in term 3 2023/24. The outsourced catering is operating currently with a small surplus. Meetings are occurring weekly with the supplier and Commercial management to proactively monitor performance and respond accordingly. Our risk exposure is limited to £20k, and further mitigation is being undertaken with expansion of commercial marketing support. The contract is being reviewed and our intention is to renew. Contingency planning is being undertaken to bring catering in house if required in 2024/25.

						Pending Control A strong purchasing arrangement that provides value for money and protects against significant price fluctuations within year. A commercial strategy for the Union's social enterprise activities, mapping out risks and mitigation / income growth strategies. Better use of EPOS data and stock management processes to enhance timeliness and reliability of information presented. 2023-24 plan for managing CSP debt.			12	Events and Partnership income lower than budgeted for Welcome, also some costs for events were not factored into original 23/24 budget. This has been caused by budgeting errors in the 23/24 budget setting. Targeted financial training and planning is being implemented to avoid this error and being led by Director of Commercial and Finance Director. Emerging risk related to retail and new College branding. 8000 alumni, students and staff have signed a petition opposing the brand, as a result we have reduced stock orders of new branded items and maintaining crested stock. Retail is ahead of budget, and the budget contingency is still to be used this year if required. Tender for Union wet sales is complete and will enable a reduction in prices in venues. ongoing, this will enhance the offer across our venues and improve our ability to meet student need. This will be implemented fully by term 3 and result in a new current control and reduce some risk related to purchasing arrangements and pricing. 2024/25 budget will include a commercial contingency in the commercial budget.
5	Health and safety & Reputational (H&S)	The access, security and building management arrangements of Beit building are ineffective and lead to dangerous or inappropriate use of the space.	4	4	16	Pending Control A security risk assessment of the building to be undertaken with the College. A capital expenditure bid to the College is produced to secure funding for a major investment in the access, security and building control resources. A building operations policy and procedure is developed and formally adopted by the Union.	3	4	12	No Change. SMT through Director of Commercial Services and Director of Support Services have completed the Union's building management plan. This is now in the implementation stage for the elements that are cost neutral. There are elements that require capital expenditure either by the Union itself or the College, negotiations ongoing. Risk rating will change if we are unable to fund the necessary changes.
6	Health and safety & Reputational (H&S)	There is a major health and safety incident within a Union-run activity, event, service or space, that causes harm to either a member or member of the public.	4	3	12	Current Control A range of comprehensive health and safety policies and procedures that cover all areas of the Union's operation. A strong relationship with the College's Safety Department, including attendance at various committees and working groups.	4	3	12	Risk increased. Emerging risk relating to pest control. There is no escalation of a pest issue at Beit, but the escalation relates to reputational risk. Felix published an article on pest issues across the college estate. The Union

#	Risk	Description				Controls				Update

Continuation cell (top):

An effective Health & Safety Committee within the Union that (a) provides regular updates to the Board, (b) monitors compliance with our policies and procedures and (c) considers major incidents and improvements needed.

A training plan for health and safety that ensures all staff and student volunteers leading activities do so safely and within the relevant policies and procedures.

A health and safety 'roadmap' that sets out key projects and developmental work over the next 18 months.
A College led audit of the Union's health and safety management is to take place in June 2023.

H&S approach for core events including the Summer Ball and Welcome Week. Welcome Week H&S management plan.

Pending Control

A Health and Safety Audit action plan to be implemented.

100% compliance with H&S skills matrix for all staff.

Right cell (top): engages with pest control contractor fortnightly and all actions are fully implemented. Pests are an endemic challenge across central London but an issue that is proactively managed, which it is. Summer works will include more focused pest control methods. Building redevelopment will help alleviate issues.

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7 — Health and safety & Reputational (H&S) (Ranking / Reputation)

Description: There is a major incident during the activities or events of a student club, society or project that causes harm to either a member or member of the public or attracts negative media attention due to poor conduct.

5 | 4 | **20**

Current Control
Training and induction for all student leaders, with a focus on promoting a positive culture and behaviours within CSP activities.

A strong working relationship with the College's Communications department that is articulated clearly in the partnership agreement.

Pending Control
A structured programme of health and safety training provided to CSP committee members on a 'risk-based approach' that considers their specific activities.

A centrally managed risk assessment monitoring and compliance process.

A comprehensive code of conduct and disciplinary policy for the Union that is easy to understand and clearly articulates how incidents will be investigated and managed.

A review of high risk CSP activity.

Review all process related to external speakers and CSP events.

4 | 3 | **12**

No change.

Work is continuing to improve practices in this area, however there are still some higher risk activities which need a thorough review. This risk will be closely monitored with the potential to increase. The audit carried out by the College on Health and Safety management included a focus on CSP practices and will be covered in the future action plan.

The Union code of conduct, disciplinary and complaints policy was approved by the Board. This has yet to be operationalised and so remains a pending control.

CSP training undertaken and this included H&S aspects.

Bronze group continues to meet with relation to the ongoing Israel-Palestine conflict. Campus activity has reduced.

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8 — Permanent Staffing

Description: There is a failure to recruit staff of sufficient capability

4 | 4 | **16**

Current Control

3 | 3 | **9**

No change.

No	Risk	Description	L	I	Score	Controls	L	I	Score	Update
	(Staff – Succession Planning)	or deal with poor performance where it occurs, causing the organisation to lose focus and become ineffective.			🟥	A formal personal review development process (PRDP) that cascades from the MD / SMT right through the entire organisation and is aligned with the annual planning round. A clear understanding of where certain Union staff roles should be advertised (particularly those sector specific) and an ability to access those channels (particularly NUS Connect). Exit interviews to be conducted with all permanent staff leavers. The inclusion of 'great people and culture' as a distinct theme in the new strategy, with a vision statement of what 'great' looks like and a development plan underpinning this with SMART actions. EDI review and strategy development People BSC with appropriate measures and KPIs New people and culture plan focusing on recruitment, induction and retention. Pending Control A service level agreement with the College's HR department that clearly establishes the support levels and services that the Union can access. A revised recruitment and selection process that more clearly articulates the Union's employment proposition (rather than the College). Delegated authority for recruitment.			🟨	Staff vacancy rate is being addressed with vacancies reducing. Key roles in membership services and governance now filled. Carrying a vacancy related to IT with plans to repurpose to support with building management. People team BSC to include specific measures related to retention and induction. Exit interviews to be undertaken with all staff leavers and SMT to discuss monthly, People team to summarise trends and respond accordingly. New People and Culture and EDI plans presented at November Board. New exit interview process implemented.
9	Casual Staffing (Staff – Succession Planning)	There is a failure in the performance or challenge with the culture and engagement of our casual staff team. Or there becomes a conflict between members who are also staff.	3	4	🟨 12	Current Control The staff engagement survey is completed by all staff – permanent and casual – tracking our work in this area. Use of Rota Cloud and Monthly casual worker report from College to ensure Union remains compliant with Tier 4 Visa regulations. The inclusion of 'great people and culture' as a distinct theme in the new strategy, with a vision statement of what 'great' looks like and a development plan underpinning this with SMART actions. Pending Control	2	3	🟩 6	No change. Recruitment training for hiring managers and Officer Trustees delivered in September and November, this covered recruitment and management practices related to casual staff.

No	Category	Risk	L	I	Score	Controls	L	I	Score	Update
						A review with the College's HR team relating to the employment relationship of casual staff, and associated College-wide policies. People BSC with appropriate measures and KPIs				
10	IT and systems (ICT - Programmes and Systems)	There is a failure of critical IT system(s) that the Union relies on for the delivery of its services and activities.	5	3	15	Current Control A service level agreement with the College's ICT department that clearly establishes the support levels and services that the Union can access. Venue WIFI improved as part of College IT support. Pending Control Operating manuals for all our major IT systems, with associated risk assessments and contingency solutions where appropriate. Digital strategy development including roadmap up until 2028. Improvements to Union Building WIFI. SUMS implementation. Commercial strategy to include contingency plan if EPOS system goes offline. Risk assessment of IT critical systems.	2	3	6	No change. Operating manual work ongoing for major IT systems, this is now limiting in scope with SUMS implementation as ICU owned systems reduce. SUMS implementation project ongoing, emerging risk with website design and launch date but control being implemented via outsourcing of work. Further understanding is required to understand the Union's cyber risk exposure. The Union currently uses College IT infrastructure and training resources. Linked to business continuity work the Director of Support Systems is to undertake a risk assessment for the Union's critical systems and cyber risk.
11	Relationships (Partnerships / Stakeholders)	The relationship with the College becomes adversarial or apathetic, which causes a loss of confidence in the Union to deliver impact for students and a lack of influence to shape decision-making with respect to the student experience.	5	3	15	Current Control A strong relationship with the College, articulated clearly in a Partnership Agreement that includes service level agreements for areas of key infrastructure. A revised Code of Practice that clearly establishes the regulatory role of the College. A robust elections process that ensures democratic legitimacy of student representatives. Pending Control Stakeholder management plan.	2	2	4	No change. Positive feedback regarding strategy including positively received presentation to University Management Board. Stakeholder management plan being developed as per the Enabling Plan. Enabling Plan presented at February Board.
12	Relationships (Partnerships / Stakeholders)	There is a lack of connectivity between the Union and the wider students' union sector which prevents shared learning and collaboration on key projects.	3	5	15	Current Control An agreed prioritisation amongst the Senior Management Team to ensure Union staff attend sector events / conferences. An agreed prioritisation amongst the Officer Trustees to ensure they engage with wider sector events / conferences. Engagement with WonkHE and its associated activities and briefing services.	2	3	6	No change. Sector engagement January – March 2024 as follows: Union President and Managing Director attended visit to the University of Bristol. Union hosted UCL SU SMT away day. Union delegation attended the WonkHE Secret Life of Students Event. Director of Membership Services attending ACUI Conference in USA with College colleagues. Union response to consultations on Office for Students Freedom of Speech.

13	External (Regulation / Legal / Legislative Compliance)	There is a change in sector regulation which negatively impacts our ability to operate effectively.	4	4	16	Current Control A proactive relationship with the College to ensure a collaborative approach to sector regulation, including responses to proposed changes. Pending Control Jointly with the College legal team reviewing the regulatory impact of the new Higher Education Freedom of Speech Bill to ensure compliance.	3	3	9	No Change. Director of Membership Services now staff lead on Freedom of Speech changes. OfS releasing operational guidance in academic year 2023-24. Block grant request includes expected additional support to manage Union compliance requirements. There is no change in regulation but Managing Director and Director of Membership Services are members of the College Bronze team established in response to Israel and Palestine situation.
14	Strategic (Strategic Vision)	Negative student satisfaction with Union services results in low participation and engagement with core Union activity.	5	3	15	Current Control Union strategy setting out priorities for the Union to develop a transformational student experience. A range of longitudinal KPIs to measure the Union's services and impact of the course of the strategy. Each team has a Balanced Score Card clearly establishing team level objectives and measures linked to the strategic priority. Pending Control New block grant funding agreement enabling investment in core services such as Activities. Service level agreements for key student facing teams.	4	3	12	Team level Balanced Scorecards are complete and being worked towards. Project being established and led by Director of Membership Services relating to service standards. ICSMSU President plays a crucial role in a number of operational events and services for ICSMSU. There is a risk of this role not being elected or having adequate staff support. The role has been elected for 24/25 but this is an ongoing risk that needs de-escalation as part of democracy review and block grant request.

Criteria for Assessing Impact

The following tables set out the criteria for assessing an appropriate score for an opportunity or threat used by the College (currently under consideration and awaiting approval). There may be one or more impacts and the table suggests possible criteria; it is only necessary for any one of the criteria at a particular level to be met.

Impact	Strategy	Safety	People	Financial	Operational	Reputational	Regulatory
Critical 5	Significant impact on strategic objectives	Significant injury to students / staff due to a safety incident	Significant staff and student wellbeing / low morale impacts Loss of key staff	Loss 35% income in one hit or >20% income recurring over 3 years	Significant service disruption	Long-term reputational damage to the Union, and by extension the College	Significant prosecution, fines and potential litigation
Major 4	High impact on specific organisational strategic objectives	Injury to students / staff due to a safety incident - isolated incident	Moderate staff and student wellbeing issues Low morale	Loss >26%-35% income in one hit or >10%-20% income recurring over 3 years	Moderate level of service disruption	Medium to long-term impact on reputation and expensive to recover	Report of breach to a regulator requiring major project for corrective action
Moderate 3	Challenging operating context increases risk to objectives	Incident at College requires staff / student / 3rd party outpatient treatment	Low staff morale and elevated staff turnover	Loss >16%-25% income in one hit or >5%-10% income recurring over 3 years	Waste of resources or poor operational efficiency	Short-term negative media coverage	Report of breach to a regulator with specific remediation identified
Minor 2	Low impact to achievement of strategic objectives	Minor injury to staff / students / 3rd parties from low level H&S incidents	Good staff and student morale	Loss >6%-15% income in one hit or >3%-5% income recurring over 3 years	Medium and temporary impacts to operations and services	Local reputational damage	Incidents not reportable to regulators

			Positive staff and student survey results				
Negligible 1	No or minor impact to strategic objectives	Low level injuries to report	Isolated staff and student dissatisfaction	Loss <5% income in one hit or <3% income recurring over 3 years	Minimal interruption of services which are easy to recover	Minor impacts to the Union's reputation which are temporary and easy to recover	Not reportable to a regulator - low level incidents

Criteria for Assessing Likelihood

5   Almost Certain (80% +)
4   Likely (60-79%)
3   Possible (40-59%)
2   Unlikely (20-39%)
1   Rare (0-19%)

Score
Calculated by = Likelihood x Impact

Heat Map

Impact / Likelihood	1 (Rare)	2 (Unlikely)	3 (Possible)	4 (Likely)	5 (Almost Certain)
1 (Negligible)	1	2	3	4	5
2 (Minor)	2	4	6	8	10
3 (Moderate)	3	6	9	12	15
4 (Major)	4	8	12	16	20
5 (Critical)	5	10	15	20	25