Board of Management
People & Culture Committee

Date of Meeting	Wednesday 13 May 2026
Paper No.	PCC3-J
Agenda Item	3.4
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Marcus Walker Associate Director of Governance & Risk
Date of production	05 May 2026
Action	For Discussion

1. Recommendations

1.1. To discuss the Strategic Risk Register for risks reported to the Committee, agreeing to recommend any changes to the Board of Management for final approval.

1.2. To note the Risk Management Action Plans for risks reported to the Committee.

2. Consultation

2.1. All strategic risk owners were consulted during the latest quarterly review.

3. Key Insights

3.1. Risk management is a key component of the College's internal control and governance arrangements and, as such, is an important responsibility of the Board of Management, the Executive Leadership Team (ELT) and the Senior Management Team (SMT). Final approval of the Strategic Risk register is reserved to the Board, and the Audit & Assurance Committee has oversight over the College's risk management approach.

3.2. ELT and SMT members are invited to review the risks they own on a quarterly basis. This is to ensure that the College, our Board and its committees, remain aware of any changes in the risk environment and that our risk management plans remain up-to-date and effective. Committees review the risks that are within their remit and recommend any changes to the Board for final approval.

3.3. The Strategic Risk Register and the MAPs are enclosed for the Committee's consideration and approval of members.

3.4. Three strategic risks are reported to the Committee. No changes to risk scoring are proposed for Quarter 4 2025/26.

4. Impact and Implications

4.1. The effective management, control and mitigation of risks are essential to the College's institutional and financial sustainability, compliance, reputation and future growth.

Appendix 1: Strategic Risk Register
Appendix 2: Risk Management Action Plans

Strategic Risk Register

The Risk			Assessment			Changes		Board
ID	Risk Title	Owner	Impact	Prob.	Net Score	Trend	Updated	Committee
SR17	Negative impact of industrial action	VPPCS	4	5	20	↔	Apr '26	People
SR23	Failure to secure a sustainable model/level of funding	CFO	4	5	20	↔	Apr '26	Finance
SR24	Failure to secure sufficient capital investment	CFO	4	5	20	↔	Apr '26	Finance
SR10	Failure to attract, engage, and retain suitable staff	VPPCS	4	4	16	↔	Apr '26	People
SR19	Failure to achieve operating surplus	CFO	4	4	16	↔	Apr '26	Finance
SR20	Failure to maximise income via diversification	CFO VPCDI	4	4	16	↔	Apr '26	Development
SR18	Failure of IT system security	DIT	5	3	15	↔	Apr '26	People
SR28	Failure to manage strategic, physical and digital assets and infrastructure effectively	DPr CFO	4	3	12	↔	Apr '26	Development
SR1	Failure to support successful student outcomes and progression	VPSE	5	2	10	↔	Apr '26	Learning
SR12	Negative impact of statutory compliance failure	DPr ADGR	5	2	10	↔	Apr '26	Audit
SR13	Failure of compliance with Environmental Social and Governance (ESG) duties	DPr ADGR	5	2	10	↔	Apr '26	Audit
SR4	Failure of the College's duty of care to students	VPSE	5	2	10	↔	Apr '26	Learning
SR7	Failure to achieve improved business development with stakeholders	VPCDI	3	3	9	↔	Apr' 26	Development
SR9	Failure to manage performance and achieve improved performance	DE	5	2	10	↔	Apr '26	Audit
SR27	Failure to prepare for the impact and harness the capabilities of AI	VPSE	3	3	9	↔	Apr '26	Learning
SR8	Failure to manage strategic risks associated with CGI Ltd	VPCDI	5	2	10	↔	Apr '26	Development
SR6	Negative impact upon the College's reputation	VPCDI	3	3	9	↔	Apr '26	Development
SR14	Failure of compliance with the General Data Protection Regulations (GDPR)	DPr	4	2	8	↔	Apr '26	Audit
SR16	Failure of business continuity	ADGR	4	2	8	↔	Apr '26	Audit
SR5	Failure to realise planned benefits of Regionalisation	Pr DPr	3	2	6	↔	Apr '26	Conveners'
SR15	Failure of corporate governance	Pr ADGR	5	1	5	↔	Apr '26	Audit
SR2	Failure to establish an optimal pedagogical model	VPSE	5	1	5	↔	Apr '26	Learning

Impact and Probability Criteria

Score	Impact	Probability
1	**Insignificant:** the risk has minimal to no effect on the College’s operations, objectives, reputation, stakeholders or financial sustainability.	**Highly Unlikely:** the likelihood of the risk occurring is minimal. It would be estimated that the risk has a 1-5% chance of happening.
2	**Minor:** the risk may cause slight disruption or impact on the College’s operations, objectives, reputation, stakeholders or financial sustainability.	**Unlikely:** the likelihood of the risk occurring is unlikely but still possible. It would be estimated that the risk has a 6-25% chance of happening.
3	**Moderate:** the risk has a noticeable impact or disruption, affecting the College’s operations, objectives, reputation, stakeholders or financial sustainability.	**Possible:** the likelihood of the risk occurring is reasonable. It would be estimated that the risk has a 26-50% chance of happening.
4	**Major:** the risk has a substantial impact on the College’s operations, objectives, reputation, stakeholders or financial sustainability.	**Likely:** the likelihood of the risk occurring is probable. It would be estimated that the risk has a 51-75% chance of happening.
5	**Critical:** the risk is a severe threat to the College’s operations, objectives, reputation, stakeholders or financial sustainability.	**Almost Certain:** the likelihood of the risk occurring is highly likely. It would be estimated that the risk has more than a 75% chance of happening.

Key

Pr	Principal & CEO
DPr	Depute Principal & COO
CFO	Chief Financial Officer
VPSE	Vice Principal Student Experience
VPCDI	Vice Principal Corporate Development
VPPCS	Vice Principal People & Corporate Services
ADGR	Associate Director of Governance & Risk
DE	Director of Excellence
DCS	Director of Corporate Support
DSE	Director of Student Experience
DIT	Director of IT

↗	New risk or existing risk score has increased since the previous review.
↘	Risk score has decreased since the previous review.
↔	Risk score has not changed since the previous review.

Risk Matrix

LIKELIHOOD					
5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5
	1	2	3	4	5

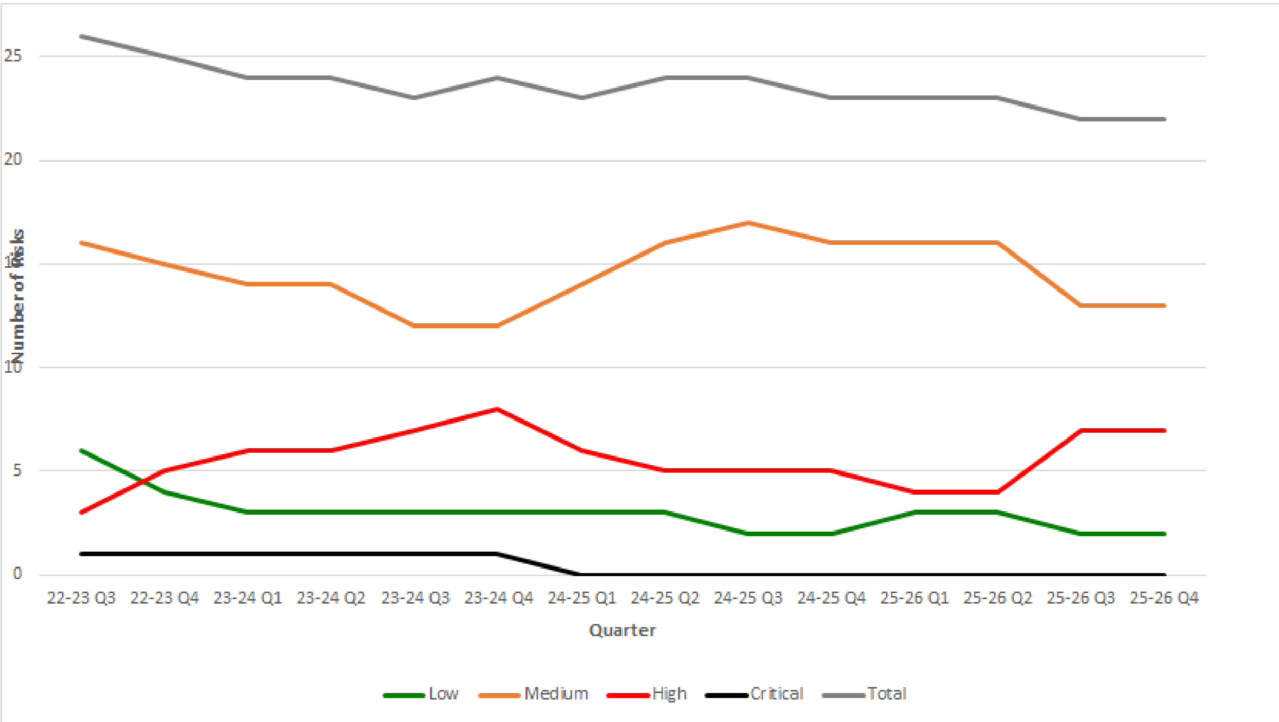
IMPACT

Low (1-5)	Acceptable level of risk subject to periodic review
Medium (6-12)	Moderate level of risk subject to regular monitoring and mitigating actions and plans being in place
High (15-20)	Unacceptable level of risk requiring immediate actions and plans to prevent or mitigate
Critical (25)	Critical level of risk requiring urgent attention and actions to prevent or mitigate

Risk Appetite

Risk Appetite[1]	Risk Categories
Avoid: The College avoids any form of risk, striving to maintain an entirely risk-free approach.	Preparedness
Averse: The College prefers to accept minimal risk, prioritising safe decision-making while recognising potential limitations on innovation and opportunities.	Compliance and Governance
Cautious: The College is willing to accept some low risks while primarily favouring safe decision-making, acknowledging the potential for restricted innovation and limited outcomes.	Financial
Moderate: The College tends to expose itself to moderate levels of risk, aiming for acceptable, though not overly ambitious, outcomes.	Reputation
Open: The College is open to innovative decisions and strategic implementations, prioritising productive outcomes even when accompanied by elevated risk levels.	Change and Development People and Culture
Hungry: The College actively seeks pioneering decisions and strategic implementations, embracing substantial risk to secure highly successful outcomes and benefits.	Education and Student Experience

Score Trend Chart



[1] Full risk appetite statements for each risk category are outlined in the Risk Management Policy.

ID	Risk Title	Owner	Risk/Treatment Description	Developments/Commentary	Appetite	Net Score				Gross Score			Changes		
						Impact	Prob.	Score	Target	Impact	Prob.	Score	Trend	Updated	History
SR17	Negative impact of industrial action	VPPCS	There is a risk of service disruption and a negative impact on the College's reputation resulting from industrial action. To respond to this risk, the College has two established negotiating forums for lecturing and support staff, with the frequency of meetings based on the Recognition & Procedure Agreement and current requirements. The College has also signed the National Recognition & Procedure Agreement and is a member of College Employers Scotland. All "in scope" pay and terms and conditions negotiations now take place at the National Joint Negotiating Committee.	Apr' 26: Industrial relations with EIS-FELA remain challenging, with several new grievances and disputes raised. The current HSE-related dispute has escalated, with strike action ongoing in March and April and with potential continuation into May. The College is actively engaging with EIS full-time officers and the General Secretary to seek resolution; however, it remains the view that the matter has escalated unnecessarily, with perception outweighing established facts. While the direct impact on learning and teaching is currently limited, there is an ongoing risk that external narratives may not fully reflect the underlying position, potentially amplifying the impact of strike action. Jan '26: Industrial relations with EIS-FELA remain challenging, with several new grievances and disputes raised. The current dispute relating to HSE matters has escalated, and strike action is now confirmed.	Averse	4	5	20	4	5	5	**25**	↔	Apr '26	Jan' 26: Score increased from 5 to 20. Aug '25: Score decreased from 10 to 5. Sept '24: Score decreased from 20 to 10. Oct '23: Score increased from 16 to 20.
SR10	Failure to attract, engage, and retain suitable staff	VPPCS	There is a risk that the College might fail to attract, engage, and retain suitable staff due to issues like recruitment challenges, staff development gaps, and insufficient training strategies. To treat this risk, the College will implement a People & Culture Strategy. This strategy, spanning 2021-2030, is built on four key aims: develop a comprehensive workforce plan; offer collaborative support to our people; establish a new world of work; and enhance employment relations through culture.	Apr' 26: The college still has a small number of supernumerary staff, and continues to carry the cost of those individuals. There are currently no plans to engage in organisational change for those individuals. An Audit has recently been undertaken in relation to recruitment and retention, the outcome of that audit is expected May 2026, initial indications indicate this will be a positive audit. Jan '26: Still have a small number of supernumerary staff - carrying the cost of those individuals. Indicative budget allocations will not be confirmed until 26 February. Expect positive movement (to be confirmed), but still need to be prudent.	Open	4	4	16	3	5	4	20	↔	Apr '26	Aug '23: Edited for transfer to new MAP. June '23: Score increased from 4 to 16.

ID	Risk Title	Owner	Risk/Treatment Description	Developments/Commentary	Appetite	Impact	Prob.	Score	Target	Impact	Prob.	Score	Trend	Updated	History
SR18	Failure of IT system security	DIT	There is a risk of a failure of the College's IT system security resulting from potential breaches occurring through cybercrime and other emergency circumstances. To manage this risk effectively, operational controls will be maintained and the Business Recovery Plan will be regularly reviewed. Robust IT Disaster Recovery plans will be developed and consistently evaluated. Rigorous testing and reviews will be conducted both locally and at the College level to ensure preparedness. The College is committed to maintaining compliance with GDPR regulations and adhering to the UK Government's Cyber Essentials Plus recommendations. Furthermore, a continual process of enhancing cyber defense and response capabilities within the College will be upheld to proactively address emerging threats.	Apr '26: Limited Capital availability materially increases cyber risk & restricts vulnerability remediation and makes achievement of Cyber Essentials in May 26 unlikely, elevating risk to the College. Jan '26: The GLQ project continues to progress well and remains on track for completion by the end Apr 26. Technical issues have arisen but are being effectively managed, and the project is delivering the required network security separation. Work is underway on the £3m Network Transformation Project to strengthen network security, performance, and resilience. Sector-wide ransomware and credential-harvesting attacks on UK colleges are increasing, with ageing infrastructure exposed by capital funding gaps. Threat actors are increasingly using generative AI for phishing and deepfake fraud.	Averse	5	3	15	5	5	5	**25**	↔	Apr '26	Jan '26: Score increased from 10 to15. Aug '23: Edited for transfer to new MAP.