People & Culture Committee

Date of Meeting	Wednesday 29 October
Paper No.	PCC1-I
Agenda Item	5.8
Subject of Paper	Strategic Risk Review
FOISA Status	Disclosable
Primary Contact	Karen Acheson Compliance Auditor
Date of production	21 October 2025
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. Three strategic risks are reported to the Committee. One change to risk scores is proposed in this review for Q1:

No.	Risk Title	Previous Score	Proposed Score
SR17	Negative impact of industrial action	🟡 10 (5 x 2)	🟢 5 (5 x 1)

3.4. The national pay deal for lecturing staff secured last year is still in effect, and negotiations with support staff are progressing well. National industrial action is considered highly unlikely reducing the probability for SR17 in Q1. The Q2 SR17 update indicates a dispute received from EIS FELA and the requirement of Government funding to pay for the pay deal agreed for support staff. The score remains the same with continual monitoring of both situations.

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

Appendix 1

Strategic Risk Register

The Risk			Assessment			Changes		Board
ID	Risk Title	Owner	Impact	Prob.	Net Score	Trend	Updated	Committee
SR1	Failure to support successful student outcomes and progression	VPSE	5	2	10	↔	Oct '25	Learning
SR2	Failure to establish an optimal pedagogical model	VPSE	5	1	5	↔	Oct '25	Learning
SR4	Failure of the College's duty of care to students	VPSE	5	2	10	↔	Oct '25	Learning
SR5	Failure to realise planned benefits of Regionalisation	Pr DPr	3	2	6	↔	Oct '25	Conveners'
SR6	Negative impact upon the College's reputation	VPCDI	3	3	9	↔	Oct '25	Development
SR7	Failure to achieve improved business development with stakeholders	VPCDI	3	3	9	↔	Oct '25	Development
SR8	Failure to manage strategic risks associated with CGI Ltd	VPCDI	5	2	10	↔	Oct '25	Development
SR9	Failure to manage performance and achieve improved performance	DE	5	2	10	↔	Oct '25	Audit
SR10	Failure to attract, engage, and retain suitable staff	VPPCS	4	4	16	↔	Oct '25	People
SR12	Negative impact of statutory compliance failure	DPr ADGR	5	2	10	↔	Oct '25	Audit
SR13	Failure of compliance with Environmental Social and Governance (ESG) duties	DPr ADGR	5	2	10	↔	Oct '25	Audit
SR14	Failure of compliance with the General Data Protection Regulations (GDPR)	DPr	4	2	8	↔	Oct '25	Audit
SR15	Failure of corporate governance	Pr ADGR	5	1	5	↔	Oct '25	Audit
SR16	Failure of business continuity	ADGR	4	2	8	↔	Oct'25	Audit
SR17	Negative impact of industrial action	VPPCS	5	1	5	↔	Oct '25	People
SR18	Failure of IT system security	DIT	5	2	10	↔	Oct'25	People
SR19	Failure to achieve operating surplus	CFO	4	4	16	↔	Oct '25	Finance
SR20	Failure to maximise income via diversification	CFO VPCDI	4	3	12	↔	Oct '25	Development
SR21	Failure to obtain funds from the Foundation for the College's priorities	CFO	4	3	12	↔	Oct '25	Finance
SR23	Failure to secure a sustainable model/level of funding	CFO	4	5	20	↔	Oct '25	Finance
SR24	Failure to secure sufficient capital investment	CFO	4	4	16	↔	Oct '25	Finance
SR27	Failure to prepare for the impact and harness the capabilities of AI	VPSE	3	3	9	↔	Oct '25	Learning
SR28	Failure to manage strategic, physical and digital assets and infrastructure effectively	DPr CFO	4	3	12	↔	Oct '25	Development

Appendix 1

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

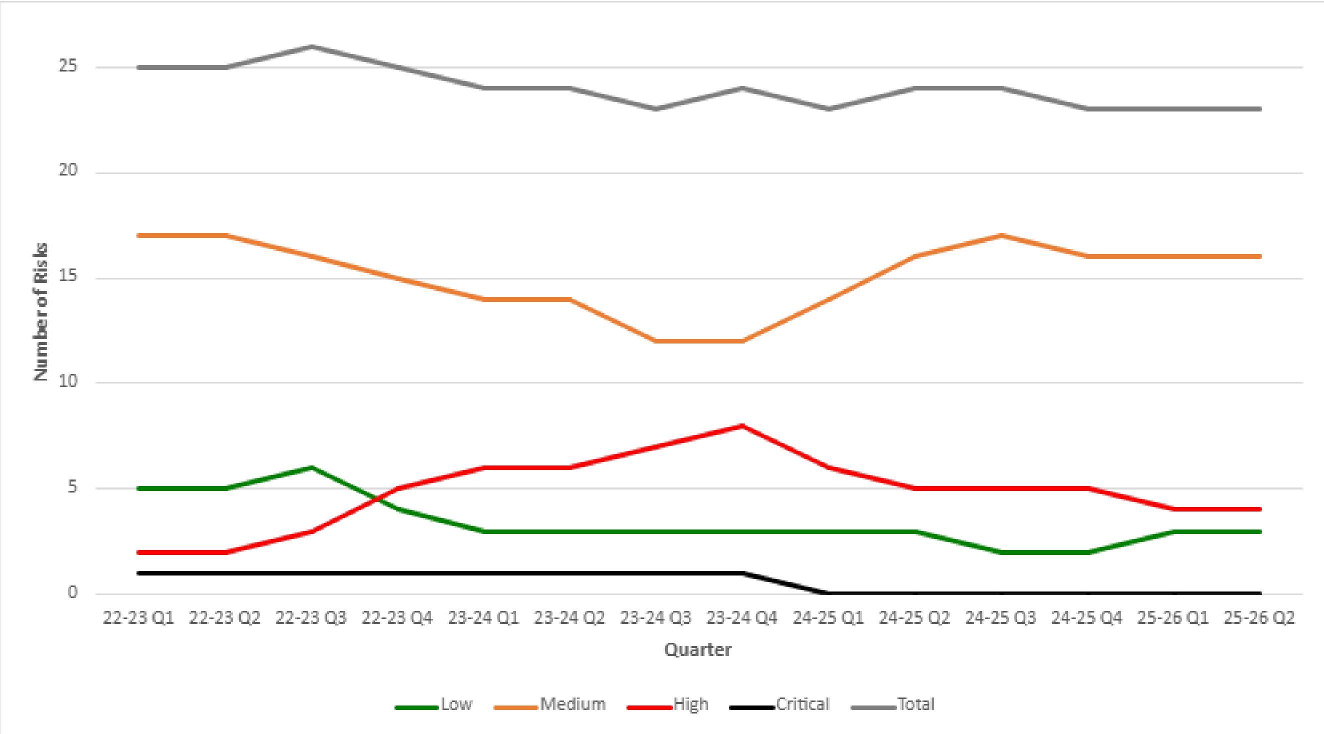
Low (1-5)	Acceptable level of risk subject to periodic review
Medium (6-12)	Moderate level of risk subject to regular monitoring and mitigating actions and plans being in place
High (15-20)	Unacceptable level of risk requiring immediate actions and plans to prevent or mitigate
Critical (25)	Critical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

Appendix 1

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.

Appendix 2

Risk Management Action Plans

The Risk						Net Score				Gross Score			Changes		
ID	Risk Title	Owner	Risk/Treatment Description	Developments/Commentary	Appetite	Impact	Prob.	Score	Target	Impact	Prob.	Score	Trend	Updated	History
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.	Oct '25: A small number of staff remain supernumerary. The Sept '25 Financial Sustainability Colleges SFC report and the Oct '25 Scotland Colleges Audit Scotland report evidence the significant financial pressures facing Colleges. The College will not be financially able to fund the upskilling and growth of staff to deliver courses. Aug '25: Further to the update at the end of the last academic year, a small number of staff remain supernumerary. Following Board approval in June 2025, the SFC has now approved the Voluntary Severance (VS) scheme. The scheme will remain open for two years should the College need to utilise it.	Open	4	4	16	3	5	4	20	↔	Oct '25	Aug '23: Edited for transfer to new MAP. June '23: Score increased from 4 to 16.
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.	Oct '25: Locally the College has received a dispute from EIS FELA regarding associate trainers. Potential to escalate to strike action in the lead up to the Scottish Government election. National negotiations for support staff have concluded with an in principle pay agreement reached. Subject to additional funding from the Scottish Government. The longer this funding is delayed increases the potential for the Trade Unions to walk away from the deal. The College has had assurance from the Scottish Government that the deal has been received and will be reviewed. The probability has not changed at this time but will be under constant review.	Averse	5	1	5	4	5	5	25	↔	Oct '25	Aug '25: Score decreased from 10 to 5. Sept '24: Score decreased from 20 to 10. Oct '23: Score increased from 16 to 20. Aug '23: Edited for transfer to new MAP. June '23: Score increased from 12 to 16.

ID	Risk Title	Owner	Risk/Treatment Description	Developments/Commentary	Appetite	Impact	Prob.	Score	Target	Impact	Prob.	Score	Trend	Updated	History
				Aug '25: The national pay deal for lecturing staff secured last year covers the 2025–26 academic year. 1											
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 occuring 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.	Oct 25: Significant progress has been made on the separation of the GLQ and CoGC networks. All hardware is now in place, and the pilot phase is set to begin mid-October. Additionally the order has been placed for the full refresh of the College Network at all sites. Scheduling is underway for the 2025 Penetration Testing programme Aug '25: The College has achieved Cyber Essentials, though several barriers remain to attaining the Plus standard. These are being addressed; however, we expect to resit Cyber Essentials before progression due to the three-month compliance upgrade window. To further strengthen cyber resilience, the College has joined HEFESTIS, enabling sector-wide benchmarking and external review of our security posture. Cyber insurance was renewed in August 2025.	Averse	5	2	10	5	5	5	**25**	↔	Oct'25	Aug '23: Edited for transfer to new MAP.