

Committee	Audit and Risk Management		
Date paper prepared	08/05/2026	Date of committee meeting	13/05/2026
Subject	Draft Risk and Opportunities Management Policy and Framework		
Author	Lydia Rohmer		
Action requested	I. Endorsement sought		
Purpose of the paper	To seek endorsement of the college's revised risk and opportunities management and framework.		
Summary of the paper	This policy and framework was provided to ARM in February 2026 as a draft for comment. Since then, the Board undertook a risk appetite seminar in March 2026. The outcomes of this seminar have been incorporated into this draft document, now offered for ARM's review and endorsement. The areas specifically offered for review are • Summary of orange book risk categories and the Board's risk appetite assessment (Appendix B) • revised risk appetite profile for the college(Appendix B) • revised risk appetite scoring (Appendix B) • new proposed risk appetite statement for the college (Appendix B) • new detailed college specific risk appetite statements against the HM Treasury Orange Book risk categories (Appendix B) • revised mapping of HM Treasury Orange Book risk categories to the college's risk register categories currently in use (updated section 7.2 in document) Following review and endorsement by ARM, the revised policy will be finalised for approval by the Board in June 2026. Once approved, the college's strategic risk register will be updated to comply with the new policy.		
Consultation	Consultation on this update has been carried out with ARM, ELT and SMT.		

Resource implications	Resource implications A new strategic planning senior officer post was specified as part of the re-designed integrated college structure; following re-advertisement of the post, this has now been filled to strengthen the college's strategic planning and data reporting capacity.
Risk implications	There are multiple risks associated with the years 1, 2 and 3 implementation phase of the college merger. Failure to identify and manage those risks may result in failure of the merger project in terms of its aims, ambition and benefits articulated in the merger business document and associated strategic plans. The college's financial sustainability is key to realising the benefits anticipated from merger.
Link with strategy	Risks are linked to the college's strategy. Successful risk mitigation is key to securing merger and related strategic aims and objectives
<u>Equality, Diversity, and Inclusion</u>	Ensuring our documents can be read and understood by everyone, including people with disabilities or impairments, is a legal requirement under the Equality Act 2010.
Island Community Impact	Not required in this instance. See the Island communities impact assessments: guidance and toolkit - gov.scot (www.gov.scot)
Paper status	☐ Open – The paper may be circulated to non-members of the committee and published online without restriction. ☒ Restricted – The paper must not be circulated to non-members or published online until after the committee meeting. ☐ Confidential - The paper must not be circulated beyond the committee members and should not be published online. Some information is considered commercially sensitive. [Please note papers may still be subject to Freedom of Information requests – see below].
<u>Freedom of information</u>	Open FOISA exemptions Scottish Information Commissioner (itspublicknowledge.info) If closed/ withheld, select date this will become 'open': Enter a date.

