



Glasgow City Council

Finance and Audit Scrutiny Committee

Report by Chief Executive

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Item 2

17th June 2026

HALF YEARLY CORPORATE RISK MANAGEMENT REPORT

Purpose of Report:

To provide the Committee with an update on the Council's Corporate Risk Register and risk management activity.

Recommendations:

The Committee is asked to note the contents of this report and the attached Summary Corporate Risk Register.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes No consulted: Yes No

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1. Introduction

- 1.1 This report provides the Committee with an update on the Council's Corporate Risk Register and risk management activity.

2. Background

- 2.1 The Council's Corporate Risk Management Framework requires that a Corporate Risk Register (CRR) is maintained to identify and manage strategic risks i.e. uncertainties that may impact the achievement of the Council's vision, strategic objectives and priorities.
- 2.2 The CRR is a live document that is maintained by Corporate Policy and Governance (CP&G) and kept under review, and informed by, the Corporate Risk Management Forum (RMF), Corporate Leadership Team (CLT) and risk owners. The RMF is chaired by CP&G and comprised of representatives from across the Council Family who review existing risks and consider changes and any new or emerging areas of risk.

3. Risk Management

(a) Review of Corporate Risk Register

- 3.1 Risk continues to be assessed in accordance with the Framework and the CRR includes **24** risks, each of which has been aligned to the four grand challenges within the [Council's Strategic Plan 2022 – 2027](#). A primary alignment is shown but, given their cross-cutting nature, a number of risks align to one or more grand challenges.
- 3.2 A summary of the CRR is attached at Appendix 1 providing information on current risks including risk scoring for the previous three reporting period and any changes. Further information on the risk scoring and rating methodology are also attached at Appendix 2. It should be noted that risk scores shown are residual risk scores which are a product of the probability and impact of risks occurring, after the application of control and mitigating actions.
- 3.3 In the current reporting period, **10** risks have been rated as very high i.e. with a risk score of 15 and over. Table 1 lists them below:

Table 1 – Very High Rated Risks (Risks ranked in order of score)

Risk Score	Risk Ref	Risk Title
25	0002	Fiscal Uncertainty
20	0007	Impact of Historic Child Abuse Inquiry
	1954	Impact of the rising cost of living
	2074	Cyber Security
	2288	Failure to successfully implement Pay and Grading Scheme
16	0008	Failure of key, large scale contractors / service providers

Risk Score	Risk Ref	Risk Title
	0009	Major incident / service disruption
	0011	Significant Industrial Action
	0012	Failure to comply with Health and Safety regulations
15	0005	Failure to fulfil duty of care to children and vulnerable adults

3.4 Table 2 sets out the material changes to the CRR since the last reporting period in November 2025.

Table 2 – Changes in the Reporting Period

Risk Ref	Risk Title	Change	Comment
002	Fiscal Uncertainty	Increased	Although 2026/27 budget has been set without significant service cuts, the support for homelessness is only short term and cannot be repeated in 2027/28 to the same extent. In addition, the homelessness pressure is forecast to increase over the next two years. For these reasons, the risk impact has increased from 4 to 5.
0016	Deficiencies in Internal Control Environment	Decreased	The 2024/25 Annual Governance Statement noted reasonable assurance could be placed upon the adequacy and effectiveness of the systems of governance and internal control. This was a change from the previous year, where only limited assurance could be placed. Therefore, the probability score has been reduced from 4 to 3.

3.5 Through the Risk Management Framework, Officers continue to monitor emerging events and areas of uncertainty, assessing how these should be reported and managed within the CRR.

(b) Risks to the Council of the ALEO Structure

3.8 The Council has set up a number of ALEOs, including charities and Limited Liability Partnerships (LLPs). The risks that may arise from such a structure are monitored alongside the Corporate Risk Register. There are seven such risks, shown at the foot of **Appendix 1**.

(c) Risk in Focus

- 3.9 On a regular basis, the Risk Management Forum selects one risk from the CRR for in-depth review. This is particularly suited to risks that are aligned to various grand challenges, the aim being to ensure the risk continues to be scoped, described and assessed appropriately and to consolidate details of control and mitigating actions.
- 3.10 During Spring 2026, this review focused on:
- 0008 – Failure of key, large scale contractors / service providers
- 3.11 Comments were received from services across the Council Family that suggested refinements and updates to the risk title, description, score, mitigations / controls and establishing new actions.
- 3.12 These comments were reviewed and acknowledged by the Risk Owner, Responsible Officers and Corporate Governance. However, during discussions, it was noted that:
- Risks relating to key contractors are managed at service level through contract management, risk registers, and business continuity planning, with escalation where appropriate.
 - Strong and mature controls are in place, supported by robust governance, assurance processes, and internal audit.
 - The risk is closely linked to Risk 0009 – Major incident/service disruption and is best considered a contributing factor.
 - There are existing mitigations in place for Risk 0009 – Major incident/service disruption that outline arrangements to manage any failure and what should be done in the event of this happening, thus reducing the impact of and likelihood of unmitigated service disruption or failure.
- 3.13 Given this position, Risk 0008 – Failure of key, large scale contractors / service providers will be closed and a new, more fit for purpose risk which reduces overlap with Risk 0009 will be opened. This reflects the view that while procurement activity inherently carries risk, it is typically managed at service level. The broader risks associated with procurement should therefore be considered separately from the failure of a well-managed procurement process and the effective application of contract management arrangements.
- 3.14 CP&G will work with both the RMF and existing Responsible Officers for Risk 0008 and Risk 0009 to ensure all relevant information is captured.

4. Business Continuity Management

- 4.1 The Council continues to apply the Corporate [Business Continuity Management \(BCM\) Framework](#) which provides a step by step guide on Services' responsibilities for all stages of the BCM lifecycle.
- 4.2 Through the Business Continuity Forum (BCF), an officer-led forum chaired by Digital Services, the business continuity community continues to drive improvements in planning; share information and experiences and support the Council's ability to sustain service delivery in the event of disruption.

4.3 The 2026/27 business continuity work plan is in place and is progressing. Recent and planned activity includes:

- Appointment of a Corporate Business Continuity Manager within Digital Services;
- Commencement of the biennial review of the BCM Framework;
- Progression of the action plans from various lessons learned activities arising from incidents, including the cyber incident that impacted the Council in summer 2025.
- Commencement of annual review of all BC documentation, including Business Continuity Plans and Business Impact Assessments;
- Supporting the Council with BC planning for potential disruption including any potential impacts arising from the ongoing situation in the Middle East;
- Ongoing programme of Service level and corporate testing, including a corporate test exercise with a cyber incident focus held on 27 May 2026; and
- Ongoing programme of staff communications, engagement and training, including recent promotion of Business Continuity and Resilience Awareness Week on 18-22 May 2026.

5. Policy and Resource Implications

Resource Implications:

<i>Financial:</i>	There are no new financial implications.
<i>Legal:</i>	There are no new legal implications.
<i>Personnel:</i>	There are no new personnel implications.
<i>Procurement:</i>	There are no new procurement implications.

Council Strategic Plan: Corporate risk management supports each of the four Grand Challenges in the Council Strategic Plan 2022 to 2027.

Equality and Socio-Economic Impacts:

<i>Does the proposal support the Council's Equality Outcomes 2017-22</i>	There is no specific risk-related outcome.
<i>What are the potential equality impacts as a result of this report?</i>	No new direct impacts.

Please highlight if the policy/proposal will help address socio economic disadvantage. N/A

Sustainability Impacts:

Environmental: No new direct impacts.

Social, including opportunities under Article 20 of the European Public Procurement Directive: No new direct impacts.

Economic: No new direct impacts.

Privacy and Data Protection impacts: No new direct impacts.

6. Recommendations

- 6.1 The Committee is asked to note the contents of this report and the attached Summary Corporate Risk Register.

Appendix 1 – Summary Corporate Risk Register

(a) Corporate Risks (Risks ranked in order of highest to lowest)

Risk Ref	Risk Title	Residual Risk Score	Residual Impact x Probability	Strategic Plan Grand Challenges 2022 - 2027 Alignment	Changes since November 2025	Previous Scoring		
						Nov - 25	June- 25	Nov- 24
0002	Fiscal Uncertainty	25	5x5	Delivery of essential services	Increase	20	20	20
0007	Impact of Historic Abuse Inquiry	20	4x5	Reduce poverty and inequality	None	20	20	20
1954	Impact of the rising cost of living	20	4x5	Increase opportunity/prosperity	None	20	20	20
2074	Cyber Security	20	5x4	Delivery of essential services	None	20	20	20
2288	Failure to successfully implement Pay and Grading Scheme	20	5x4	Delivery of essential services	None	20	20	20
0008	Failure of key, large scale contractors / service providers	16	4x4	Delivery of essential services	None	16	16	16
0009	Major incident / service disruption	16	4x4	Delivery of essential services	None	16	16	16
0011	Significant industrial action	16	4x3	Delivery of essential services	None	16	16	16
0012	Failure to comply with Health and Safety regulations	16	4x4	Delivery of essential services	None	16	16	16
0005	Failure to fulfil duty of care to children and vulnerable adults	15	5x3	Reduce poverty and inequality	None	15	15	15
0001	Constitutional Uncertainty	12	3x4	Delivery of essential services	None	12	12	12

Risk Ref	Risk Title	Residual Risk Score	Residual Impact x Probability	Strategic Plan Grand Challenges 2022 - 2027 Alignment	Changes since November 2025	Previous Scoring		
						Nov - 25	June- 25	Nov- 24
0004	Poverty and Inequality	12	4x3	Reduce poverty and inequality	None	12	12	12
0013	Failure to protect and govern information assets	12	4x3	Delivery of essential services	None	12	12	12
0015	Lack of Workforce Knowledge, Capability and Capacity	12	3x4	Delivery of essential services	None	12	12	12
0018	Significant asset failure, damage or loss	12	3x4	Delivery of essential services	None	12	9	9
0029	Educational Attainment and Supporting Sustainable Destinations	12	4x3	Increase opportunity/prosperity	None	12	16	16
0909	Insufficient response to climate and ecological emergency	12	4x3	Climate Emergency	None	12	12	12
0984	Failure to maximise Glasgow's cultural and sporting assets	12	4x3	Reduce poverty and inequality	None	12	12	12
2570	Increase of High Legal Challenge	12	4x3	Delivery of essential services	None	12	12	n/a
2694	Failure to Successfully Implement ERP System	12	3x4	Delivery of essential services	None	12	n/a	n/a
0016	Deficiencies in Internal Control Environment	9	3x3	Delivery of essential services	Decrease	12	12	12

Risk Ref	Risk Title	Residual Risk Score	Residual Impact x Probability	Strategic Plan Grand Challenges 2022 - 2027 Alignment	Changes since November 2025	Previous Scoring		
						Nov - 25	June- 25	Nov- 24
0017	Failure to deliver the Capital Investment Programme	9	3x3	Increase opportunity/ prosperity	None	9	9	9
0024	Failure to deliver / manage regeneration of the city including major projects	9	3x3	Increase opportunity / prosperity	None	9	9	9
0025	Failure in governance of the ALEOs	6	3x2	Delivery of essential services	None	6	6	6

(b) Risks of the ALEO Model (Risks ranked in order of highest to lowest)

Risk Ref	Risk Title	Residual Risk Score	Residual Impact x Probability	Strategic Plan Grand Challenges 2022 - 2027 Alignment	Changes since November 2025	Previous Scoring		
						Nov - 25	June- 25	Nov- 24
0614	ALEO Financial Performance	12	3x4	Delivery of essential services	None	12	12	15
0623	ALEO Delivery of Council Services	12	3x4	Delivery of essential services	None	12	12	12
0615	ALEO Conflict of Interest	6	2x3	Delivery of essential services	None	6	6	6
0616	ALEO Reputational Damage	6	3x2	Delivery of essential services	None	6	6	6
0618	ALEO Organisational Instability	4	2x2	Delivery of essential services	None	4	4	4
0621	ALEO Fitness for Purpose of the ALEO Model	4	4x1	Delivery of essential services	None	4	4	4
0622	ALEO Loss of Charitable Status	3	3x1	Delivery of essential services	None	3	3	3

Appendix 2 – Risk Assessment Methodology

Risk Rating:		Very High	High	Medium	Low
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PROBABILITY	Almost certain	5	5	10	15	20	25
	Likely	4	4	8	12	16	20
	Possible	3	3	6	9	12	15
	Unlikely	2	2	4	6	8	10
	Rare	1	1	2	3	4	5
			1	2	3	4	5
		Negligible	Minor	Moderate	Major	Critical	

Assessing Probability

Score	Description	Occurrence (%)	Guidance
5	Almost certain	80 – 100%	Hard to imagine the event not occurring - event occurs regularly
4	Likely	60 – 79%	Probable - more likely to occur than not
3	Possible	35 – 59%	Reasonable chance of occurrence – the event may happen
2	Unlikely	15 – 34%	Not expected to occur and unlikely but still not exceptional
1	Extremely unlikely	0 – 14%	Hard to imagine the event happening, only in exceptional circumstances or once in every 10 years

Assessing Impact

Score	Description of impact on ability to deliver defined objectives
5	Fundamental / catastrophic
4	Major
3	Moderate
2	Minor
1	Insignificant / negligible