



# Risk Management Policy

## **1. Purpose of this Policy**

- 1.1 The College recognises that the management of risk is an important component of good management practice and has an open and receptive approach to identifying, discussing and addressing risks.
- 1.2 The College accepts that risk can never be totally eliminated. The purpose of the College's Risk Management Policy is to support the development of a consistent approach to determining, analysing and managing risk to ensure that all reasonable steps are taken to mitigate risk and that the level of risk accepted is balanced against the expected reward.
- 1.3 The Office for Students' (OfS) Terms and Conditions of Funding require the College to have effective arrangements for providing assurance to the Board of Trustees that the College has a robust and comprehensive system of risk management, control and corporate governance. This Policy helps to ensure that the College complies with this requirement.

## **2. Understanding Risk Management**

- 2.1 Risk refers to a threat or possibility that an action or event will adversely or beneficially affect an organisation's ability to achieve its objectives.
- 2.2 Risk management is a process which provides assurance that objectives are more likely to be achieved; damaging things will not happen or are less likely to happen; and beneficial things will be or are more likely to be achieved.

## **3. Responsibility for Risk Management**

- 3.1 The Rector has ultimate responsibility for risk management.
- 3.2 The College's Management Board is responsible for identifying, evaluating and monitoring the key risks faced by the College and for scrutinising the actions taken to manage these key risks. The Management Board reviews all key risks before their submission to the Trustees.
- 3.3 The Academic Board via its Enhancement, Quality and Curriculum Committee is responsible for the oversight of risk management and for advising the Board of Trustees upon the effectiveness of the College's risk management processes. It provides a formal opinion on the effectiveness and upon the reliance that may be placed on the College's risk management systems via its annual report to the Board of Trustees.
- 3.4 The Board of Trustees is responsible for determining the appropriate level of risk exposure for the College, monitoring the management of key risks, and for gaining assurance that risks identified are being activity managed with appropriate controls in place that are working effectively.
- 3.5 Notwithstanding the responsibilities outlined above, all management staff have responsibility for risk management within their own areas of accountability and have a duty to inform management where exposure to risk is of a material nature.

#### **4. Process of Risk Management**

- 4.1 The College seeks to identify, assess and effectively manage all risks. The aim of risk management is to be proactive in supporting the achievement of the College's agreed objectives.
- 4.2 The College maintains a college risk register. This record identified key risks and, for each key risk, its risk scores, controls and actions
- 4.3 The College risk register records those risks that are likely to impede the delivery of strategic objectives and are therefore of strategic significance to the College.
- 4.4 The Management Board and the Quality Committee will review the college risk register on a six-monthly basis and the Board of Trustees will review it on an annual basis.
- 4.5 This process may involve the introduction of new risks, the amendment of existing risks and the deletion of risks that are no longer deemed applicable.
- 4.6 It is the responsibility of the Academic Director to ensure that the college risk register is regularly updated and submitted in accordance with designated timescales for review by the Management Board and Enhancement, Quality and Curriculum Committee and the Board of Trustees.
- 4.7 If considered necessary by the Academic Director to ensure that the college risk register maintains its currency, then she or he will, in discussion with the relevant risk owner(s), update and amend the register between these review points.

#### **5. Training**

- 5.1 The Rector will ensure that training in risk management is made available to all staff. However, it is mandatory for: staff with management roles or responsibility for strategic and planning.

#### **6. Review of this Policy**

- 6.1 The OfS' Terms and conditions of Funding require that systems of internal control should be reviewed at least annually. This policy forms part of the College's systems of internal control and shall be reviewed and approved annually by the Board of Trustees. This requirement shall usually be addressed at the first meeting of the Board of Trustees held in each academic year. Reviewed and approved: October 2020

Approval and Review 1. Title: Risk Management Policy 2. Approved with reference to: OfS terms and conditions and the QAA Quality Code. 3. Version: 2020.2. Approved: October 2020. Implementation from: October 2020. Next review: October 2021. 4. Approving body: Academic Board. Member of staff responsible: Principal / Rector