



**BLACKBURNE
HOUSE**

Risk Management Policy

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Purpose of the Document

This risk management policy forms part of our internal control systems. The policy explains the institutions underlying approach to risk management, and documents the roles and responsibilities of the Board of Directors, The Executive Leadership Team and other key parties. It also outlines key aspects of the risk management process and identifies the main reporting procedures.

The Underlying Approach to Risk Management

The Board of Directors view their roles and responsibilities seriously. The following key principles outline our approach to risk management and internal control:

- The Board of Directors has responsibility for overseeing risk management within the organisation as a whole.
- An open and receptive approach to solving risk problems is adopted by the Board of Directors.
- The Executive Leadership Team supports, advises and implements policies approved by the Board of Directors.
- Heads of Departments are responsible for encouraging good risk management practices within their departments.
- The organisation makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risk.
- Key risk indicators will be identified and closely monitored on a timely basis.
- All key reports submitted to the Board of Directors will include a section headed “Risks” so that these are clearly articulated by the ELT and can be appreciated and understood by the Board.

Role of the Board of Directors

The Board of Directors has a fundamental role to play in the management of risk. Its role is to:

- a) Set the tone and influence the culture of risk management within the organisation. This includes :
 - Determining whether the organisation is “risk-taking “ or “risk averse” as a whole or on any relevant individual issue.
 - Determining what types of risk are acceptable and the degree of risk taken.
 - Setting standards and expectations of staff with respect to conduct and probity.
- b) Approve major decisions affecting the organisation’s risk profile or exposure.
- c) Monitor the management of significant risks to reduce the likelihood of unwelcome surprises.
- d) Satisfy itself that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
- e) Annually review the organisation’s approach to risk management and approve changes or improvements to key elements of its processes and procedures.

Role of The Executive Leadership Team

The key roles of The Executive Leadership Team are to:

- a) Implement policies on risk management and internal control.
- b) Identify and evaluate the significant risks faced by the institution for consideration by the Board of Directors. All reports submitted to the Board of Directors will include a section headed "risks" to enable any risks to be evaluated and assessed before the agreement of the document by the Board.
- c) Undertake an annual review of the effectiveness of Risk Management and provide a report to the Board of Directors.

Risk Management as part of the system of internal control

The system of internal control incorporates risk management. This system encompasses several elements that together facilitate an effective and efficient operation, enabling the organisation to respond to a variety of operational, financial and commercial risks.

Internal Audit

BH/WTEC does not have an internal audit committee. The organisation has regular audits throughout the year from the various funding bodies which enable us to assess systems of control and assess risk.

Process for Monitoring significant risk

When a significant risk is identified The Executive Leadership Team will report on this risk to the Board of Directors with a plan of action to minimise this risk. The actions taken will be monitored by the board until the risk is no longer significant.

Annual review of Effectiveness

The Board of Directors is responsible for reviewing the effectiveness of internal control of the organisation, based on information provided by The Executive Leadership Team. The review will look at:

- a) The organisation's objectives and its financial and non-financial targets
- b) The timely identification and assessment of significant risk
- c) The prioritisation of risks and the allocation of resources to address areas of high exposure
- d) The quality and timeliness of the information on significant risk.
- e) The time it takes for control breakdowns to be recognised or new risks identified.
- f) The ability of the organisation to learn from its problems
- g) Commitment and speed with which corrective actions are implemented.

The Management team will prepare a report on its review of the effectiveness of its internal control systems annually for consideration by the Board of Directors

Risk Management- Reputation- To become a recognised Centre of Excellence for learning and development

Risk Element

- ❑ Fail to determine and communicate an appropriate and focused strategy
- ❑ Fail to attract sufficient numbers of targeted students
- ❑ Fail to attract and retain high-quality staff
- ❑ Fail to secure significant funding bids

Is it a risk **Yes/No**

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Unclear objectives
- ❑ Inappropriate markets targeted
- ❑ Government policy changes
- ❑ Economic changes
- ❑ Demographic changes
- ❑ Unclear corporate image

Impact on organisation- H (high), M (medium), L (Low)

Mitigating actions

- ❑ Board of Directors meetings to discuss strategy
- ❑ Strategic and operational monitoring by ELT
- ❑ Documentation/publicity reviews by the Marketing Department

Person responsible

Completion date

Early warning mechanisms

- ❑ Monitoring of student numbers
- ❑ Monitoring of external publicity
- ❑ Numbers of unfilled positions
- ❑ Monitoring of staff turnover rate
- ❑ Feedback from funders of successful/lost bids

Risk Management- Reputation- Failure to effectively manage health and safety with consequent risk or damage to staff, students and customers.

Risk Element

- Failure to effectively manage health and safety with consequent risk or damage to staff, students and customers.

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- Poor risk assessment
- Weak management systems
- Lack of investment
- Unclear responsibilities

Impact on organisation- H (high) , M (medium), L (Low)

Mitigating actions

- Proper policies and procedures
- Strong H & S Committee
- Compliance with appropriate British Standards
- Good reporting to Management

Person responsible

Completion date

Early warning mechanisms

- Increased numbers of small incidents, including those recorded in the accident book
- Internal and external complaints

Risk Management- Student Experience Course Requirements and Income.

Risk Element

- ❑ Failure to provide the range and structure of courses that meet the expectations of students/poor product offering.
- ❑ Failure to attract sufficient numbers of targeted students
- ❑ Lower student recruitment & retention
- ❑ Reduction in income

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Lack of understanding of the market – including the needs of employers
- ❑ Inability to attract appropriate academic staff
- ❑ Poorly researched market
- ❑ Lack of investment – poor facilities
- ❑ Poor reputation

Impact on organisation H (high), M (medium), L (Low)

Mitigating actions

- ❑ Departmental review of courses
- ❑ Improved communications with schools, colleges, industry
- ❑ Improved marketing
- ❑ Improved student support to reduce withdrawals
- ❑ Strategic research
- ❑ Curriculum Committee

Person responsible

Completion date

Early warning mechanisms

- ❑ Monitoring student application forms
- ❑ Monitor withdrawals
- ❑ Follow up on students who go elsewhere
- ❑ Feedback from schools, colleges, & industry
- ❑ Understand demographic trends

Risk Management- Student Experience- Failure to Meet Student Expectations Quality of Delivery

Risk Element

- ❑ Failure to meet teaching quality expectations of the students
- ❑ Failure to maintain/ improve appropriate teaching quality methods
- ❑ Failure to attract sufficient numbers of targeted students
- ❑ Reduction in income

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Inadequate teaching infrastructure
- ❑ Poor investment in IT
- ❑ Poor quality review of results

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Academic quality control mechanisms
- ❑ A clear mission statement on teaching
- ❑ Focused recruitment process
- ❑ Curriculum Committee
- ❑ Review effectiveness of teaching & learning observations

Person responsible

Completion date

Early warning mechanisms

- ❑ Monitoring student application forms
- ❑ Follow up on students who go elsewhere
- ❑ Feedback from the annual student survey

Risk Management- Student Experience- Recruitment, Retention and Achievement

Risk Element

- ❑ Failure to meet target student recruitment level
- ❑ Failure to meet target student retention level
- ❑ Failure to meet target achievement level

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Poor recruitment process
- ❑ Unrealistic targets set
- ❑ Lack of monitoring, failure to take action following monitoring
- ❑ Lack of understanding of other pressures on students e.g. finance, childcare

Impact on organisation- H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Set targets & monitor actual levels of recruitment, retention & achievement
- ❑ Have in place a recruitment, retention & achievement strategy
- ❑ Regular review effectiveness of the above strategies
- ❑ Improved student support processes

Person responsible

Completion date

Early warning mechanisms

- ❑ Complaints from received internally or from other bodies e.g. students union
- ❑ Feedback from the annual student survey

Risk Management- Student Experience- Failure to Attract Students

Risk Element

- ❑ The volume & nature of advice given to the students fails to meet changing needs and expectations of students.
- ❑ Poor student experience resulting in damage to reputation
- ❑ Failure to attract future students

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Rapid expansion in numbers of students
- ❑ Inadequate student services
- ❑ Poor understanding of issues facing students/expectations of students

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Annual student survey
- ❑ Constant review of policies and procedures

Person responsible

Completion date

Early warning mechanisms

- ❑ Monitoring of the withdrawal rates
- ❑ Annual evaluation of the effectiveness of student support services

Risk Management- Staffing Issues

Risk Element

- ❑ Failure to attract academic staff with the required experience
- ❑ Failure to attract sufficient levels of targeted students

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- ❑ Inadequate salary and benefits
- ❑ Poor career prospects
- ❑ Poor academic reputation

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Constant review of the remuneration package
- ❑ Review of facilities

Person responsible

Completion date

Early warning mechanisms

- ❑ Number of unfilled positions
- ❑ Monitoring of staff turnover rate
- ❑ Result of exit interviews

Risk Management- Staffing Retention

Risk Element

- ❑ Failure to develop and retain high-quality academic staff
- ❑ Failure to attract sufficient levels of targeted students

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- ❑ Unable to demonstrate career path
- ❑ Inadequate appraisal and development process
- ❑ Unable to provide required experience for academic staff

Impact on the organisation -H (high), M (medium), L (Low)

Mitigating actions

- ❑ Promotion on merit rather than longevity
- ❑ Honest, open appraisal process
- ❑ Development plans
- ❑ Investors in People accreditation

Person responsible

Completion date

Early warning mechanisms

- ❑ Increase in staff turnover
- ❑ Result of exit interviews
- ❑ Poor take up of staff development activities

Risk Management- Employment Legislation

Risk Element

- ❑ Failure to adhere to employment legislation and standards of good practice
- ❑ Damage to reputation
- ❑ Potential litigation including punitive damages Failure to develop and retain high-quality academic staff

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Inadequate training of line managers
- ❑ Inadequate review of current legislation and other issues

Impact on the organisation -H (high), M (medium), L (Low)

Mitigating actions

- ❑ Regular review of policies and procedures
- ❑ Human Resource Committee
- ❑ Health & Safety Committee

Person responsible

Completion date

Early warning mechanisms

- ❑ Increasing staff turnover
- ❑ Complaints by staff

Risk Management- Staffing- Specialist Academic Staff Support

Risk Element

- Inability to attract and retain specialist non-academic staff
- Inadequate support services for students and customers
- Damage to reputation

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- High salaries offered outside the sector
- Inadequate salary and benefits package
- Poor career prospects

Impact on organisation - H (high), M (medium), L (Low)

Mitigating actions

- Constant review of the remuneration package
- Appraisal scheme
- The fast-track promotion scheme
- Review of facilities

Person responsible

Completion date

Early warning mechanisms

- Increasing staff turnover
- The lower number of applicants
- Annual staff attitude survey

Risk Management- Staffing Specialist Non-Academic staff

Risk Element

- ❑ Inability to attract and retain specialist non-academic staff
- ❑ Inadequate support services for students and customers
- ❑ Damage to reputation

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ High salaries offered outside the sector
- ❑ Inadequate salary and benefits package
- ❑ Poor career prospects

Impact on organisation - H (high), M (medium), L (Low)

Mitigating actions

- ❑ Constant review of the remuneration package
- ❑ Appraisal scheme
- ❑ The fast-track promotion scheme
- ❑ Review of facilities

Person responsible

Completion date

Early warning mechanisms

- ❑ Increasing staff turnover
- ❑ The lower number of applicants

Risk Management- Building Loss

Risk Element

- Potential liabilities attached to the building
- Significant costs not included in financial plans

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- Not enough maintenance carried out in the building
- Lack of review of building condition
- New legislative requirements

Impact on organisation- H (high) , M (medium), L (Low)

Mitigating actions

- Regular building condition survey
- Health & Safety Committee
- Regular reporting to management

Person responsible

Completion date

Early warning mechanisms

- Reviews of planned maintenance programmes
- Awareness of changing statutory programmes
Building Services

Risk Element- Loss- Theft or Damage to Equipment

- ❑ Loss of movable assets
- ❑ Poor physical security of building leading to theft or damage of equipment and compromising safety to staff and students

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ “Insider” Theft
- ❑ Intruders/vandals
- ❑ Inadequate maintenance leading to ease of entry

Impact on organisation - H (high), M (medium), L (Low)

Mitigating actions

- ❑ Regular review of security arrangements
- ❑ Appropriate security system/staff
- ❑ Insurance arrangements
- ❑ Regular reporting to management

Person responsible

Completion date

Early warning mechanisms

- ❑ Inventory of assets
- ❑ Regular inventory checks
- ❑ Annual report by security service
- ❑ Complaints by staff, students and customers
- ❑ Increasing numbers of incidents

Risk Element- Building Services- Statutory Requirements Including Health and Safety

Risk Element

- Failure to comply with statutory requirements leads to prosecution or close down of the building
- Serious breach of Health & Safety legislation

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- Poor understanding of legislation
- Inadequate maintenance of the property

Impact on organisation - H (high), M (medium), L (Low)

Mitigating actions

- Regular review of legislation requirements
- Health & Safety Committee
- Regular inspection by authorities

Person responsible

Completion date

Early warning mechanisms

- Awareness of changing statutory requirements

Risk Element- Building Services- Deterioration of the Building

Risk Element

- Failure to identify, prioritise and fund maintenance needs
- Deterioration of building

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- Lack of planned maintenance programme
- Lack of regular building condition survey

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- Regular building condition survey

Person responsible

Completion date

Early warning mechanisms

- Significant costs incurred in the maintenance
- Complaints by staff, students and customers

Risk Element- Financial Issues

Risk Element

- ❑ Change in Government/LCRCA funding policy resulting in a drop in real income
- ❑ Failure to meet financial liabilities
- ❑ Worst case, recovery plan or insolvency

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- ❑ Lack of monitoring at a strategic level
- ❑ Over-reliance on LSC funding

Impact on organisation - H (high), M (medium), L (Low)

Mitigating actions

- ❑ Diversify sources of funding to decrease reliance on any one source
- ❑ Fundraising activities
- ❑ Political lobbying
- ❑ Development of financial strategy

Person responsible

Completion date

Early warning mechanisms

- ❑ Monitoring of press announcements
- ❑ LSC Circulars

Risk Element- Financial Issues- Inability to Meet Financial Targets

Risk Element

- ❑ Unable to meet LCRCA targets which then reduces income
- ❑ Failure to meet financial liabilities
- ❑ Worst case, recovery plan or insolvency

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Poor recruitment process
- ❑ Unrealistic targets set
- ❑ Lack of monitoring, failure to take action following monitoring

Impact on organisation - H (high), M (medium), L (Low)

Mitigating actions

- ❑ Diversify sources of funding to decrease reliance on LSC
- ❑ Reduce spending

Person responsible

Completion date

Early warning mechanisms

- ❑ Regular review of progress against targets
- ❑ Monitor student numbers
- ❑ Monitor unit achievement
- ❑ Create a contingency plan to increase enrolments, eg carry out a targeted publicity campaign
- ❑ Financial Issues

Risk Element- Financial Liabilities

- ❑ Failure to monitor the financial viability of the organisation
- ❑ Failure of departments to exercise budgetary control
- ❑ Loss-making institution
- ❑ Inability to meet liabilities as they fall due

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Failure to centrally monitor departmental budget holders
- ❑ Inaccurate/unreliable financial information
- ❑ Information not produced on a timely basis

Impact on organisation - H (high), M (medium), L (Low)

Mitigating actions

- ❑ Performance objectives relating to financial controls
- ❑ Financial regulations
- ❑ Accurate budgeting
- ❑ Reporting on monthly management accounts

Person responsible

Completion date

Early warning mechanisms

- ❑ Management accounts preparation
- ❑ Review of performance against budget

Risk Element- Financial Issues- Loss of Major Funding

Risk Element

- ❑ Loss of major funding bids
- ❑ Inability to bid successfully for competitive funding
- ❑ Loss of additional sources of income
- ❑ Reduction in courses offered to students

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Applications not properly completed, not properly reviewed
- ❑ Overhead structure makes the organisation uncompetitive
- ❑ Lack of clarity in strategy

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Liaison with funders to advise on the bidding process
- ❑ Staff available to review applications

Person responsible

Completion date

Early warning mechanisms

- ❑ Post-bid review exercise
- ❑ Feedback from funders of successful/lost bids

Risk Element- Financial Issues- Fraud, Theft, Adverse Publicity

Risk Element

- Fraud of theft
- Loss of assets, financial loss to the organisation
- Adverse publicity

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- Inadequate system of internal controls
- Lack of supervision/reconciliation

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- Clearly defined fraud policies
- Whistleblowing
- Segregation of duties

Person responsible

Completion date

Early warning mechanisms

- Internal financial auditing
- External audit

Risk Element- Financial Issues- Overstretched Expenditure

Risk Element

- ❑ Overstretching expenditure commitments
- ❑ Failure to meet liabilities, problems as a going concern
- ❑ Damage to reputation

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Poor financial planning
- ❑ Higher than expected inflation
- ❑ Unforeseen liabilities
- ❑ Inadequate contingency funds
- ❑ Tendency to spend budgets close to year-end

Impact on organisation - - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Regular central monitoring of management accounts
- ❑ Accurate budgeting

Person responsible

Completion date

Early warning mechanisms

- ❑ Central review of management accounts

Risk Element- Organisational Issues- Major Disaster

Risk Element

- Major disaster
- Unable to operate
- Disruption to teaching and support services

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- A business continuity plan does not exist
- Business continuity plan not tested
- Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- Review and test continuity plan

Person responsible

Completion date

Early warning mechanisms

- Periodic re-assessment of risks and business continuity options

Risk Management- Organisational Issues- Inadequate Governance

Risk Element

- ❑ Inadequate corporate governance
- ❑ Criticism arising from perceived corporate governance weakness
- ❑ Damage to reputation

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Poor time availability from the Board of Directors
- ❑ Lack of willingness by the Board of Directors to engage in good corporate governance practice
- ❑ Lack of policies and procedures

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Strong recruitment and induction practices for the Board of Directors
- ❑ Governing body review of policies

Person responsible

Completion date

Early warning mechanisms

- ❑ Board of Directors' own effectiveness review
- ❑ LSC self-assessment audit

Risk Management- Organisational Issues- Poor Strategic Planning

Risk Element

- ❑ The poor strategic planning process
- ❑ Inability to expand and change to meet new challenges

Is it a risk Yes/No

Likelihood - H (high), M (medium), L (Low)

Contributing factors

- ❑ Lack of review at the Board of Director level
- ❑ Insufficient resources allocated to the planning process
- ❑ Lack of consultation with stakeholders

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Regular review of the strategic planning process by Board of Directors
- ❑ Mission statement

Person responsible

Completion date

Early warning mechanisms

- ❑ Complaints by staff and Board of Directors of lack of input to process
- ❑ Feedback from LSC

Risk Management- Information and IT

Risk Element

- Major IT disaster – loss of information or use of central hardware
- Disruption to teaching and/or support services

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- Poor physical security of hardware
- Poor logical security of information
- Staff unaware of policies and procedures

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- Regular back-up of data
- IT disaster recovery plan in place and regularly tested
- Off-site arrangements with equipment suppliers

Person responsible

Completion date

Early warning mechanisms

- IT reports to Q&A Committee
- Audit report on IT security

Risk Management- Information and IT- Loss of Hardware

Risk Element

- ❑ Major IT disaster – loss of information or use of central hardware
- ❑ Disruption to teaching and/or support services

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- ❑ Poor physical security of hardware
- ❑ Poor logical security of information
- ❑ Staff unaware of policies and procedures

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Regular back-up of data
- ❑ IT disaster recovery plan in place and regularly tested
- ❑ Off-site arrangements with equipment suppliers

Person responsible

Completion date

Early warning mechanisms

- ❑ IT reports to Q&A Committee
- ❑ Audit report on IT security

Risk Management- Information and IT- Network Disruption

Risk Element

- ❑ Network/systems problems
- ❑ No access to application software
- ❑ Disruption to teaching and or support services

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- ❑ Network/system inadequate for the volume of users
- ❑ Viruses

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Virus protection software
- ❑ Regular review of system capacity and current and future needs

Person responsible

Completion date

Early warning mechanisms

- ❑ Audit report on IT security
- ❑ IT report to the appropriate committee

Risk Element- Information and IT- Security Breach

Risk Element

- ❑ Network security breached
- ❑ Failure to comply with data protection legislation
- ❑ Disruption to access to the network

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- ❑ Inadequate security in network

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Regular review of physical and logical security

Person responsible

Completion date

Early warning mechanisms

- ❑ Report to show authorised access to the network

Risk Element- Information and IT- Non Compliance with Data Protection Act/ GDPR

Risk Element

- ❑ Non-compliance with Data Protection Act
- ❑ Damage to reputation
- ❑ Potential litigation

Is it a risk Yes/No

Likelihood - H (high) , M (medium), L (Low)

Contributing factors

- ❑ Inadequate security of key information
- ❑ Unclear as to responsibilities under Data Protection Act

Impact on organisation - H (high) , M (medium), L (Low)

Mitigating actions

- ❑ Training in data protection
- ❑ Policies and procedures manuals

Person responsible

Completion date

Early warning mechanisms

- ❑ Complaints from staff and students
- ❑ Data protection audit

Self-Assessment Questions on the Implementation of the Risk Management Plan

Objectives of the Risk Management Plan

- ✓ Are there clear objectives for the programme?
- ✓ Do the objectives cover regulatory, strategic and operational requirements?
- ✓ What benefits do we expect and how will we assess if they are achieved?

Management Support

- ✓ Has the Board of Directors approved the process?
- ✓ Is the CEO supporting the process?
- ✓ Is there a Risk Management policy that, once approved, gives authority to the process and outlines the responsibilities of different parties?
- ✓ How will staff be encouraged to support the Risk Management policy?

Process of Risk Management

- ✓ How wide-ranging should the process be?
- ✓ What is the link between risk management, business planning & budget allocation?
- ✓ How will risk management be linked to quality assessments?
- ✓ Does risk management need a separate reporting process?

Techniques for identifying risk

- ✓ What is the most effective way of identifying risk?
- ✓ How many risks should be considered?
- ✓ How should we structure and prioritise the risks?

Risk Assessment

- ✓ Who should be involved?
- ✓ Will everyone understand the risks?
- ✓ How should the assessment be done?
- ✓ What is the right level of exposure?

Reporting format

- ✓ How will the information be handled?
- ✓ What documentary evidence is required to support information?
- ✓ Who will need access to the information?

Sustainability and flexibility of the process

- ✓ How do we ensure the process keeps going?
- ✓ What should be the frequency and interval of the exercise?
- ✓ How do we measure the success of the process?

FORM FOR PRIORITISING RISK

1) Read through the framework for risk management. Decide the priority that you would like to give to each risk using the following score system.

2) A – critical to the whole organisation, and if it came about, would affect the whole organisation.

B – Important to the whole organisation and, if it came about, would affect the whole organisation

C – Important but, if it came about, may only affect part(s) of the organisation

3) This exercise is a way of selecting those risks that the majority of us feel are the most important to the whole organisation. You need to decide a) how critical you think this is as an issue to the organisation and b) how strongly you feel it is being assessed in detail. Use a combination of the two factors to rate the risk A, B or C.

As a guide, you should end up with around:

- 12-20 A risks
- 8-15 B risks
- 5-10 C risks

Please circle your choice

REPUTATION 1	A	B	C
REPUTATION 2	A	B	C

STUDENT 1	A	B	C
STUDENT 2	A	B	C
STUDENT 3	A	B	C
STUDENT 4	A	B	C

STAFFING 1	A	B	C
STAFFING 2	A	B	C
STAFFING 3	A	B	C
STAFFING 4	A	B	C
STAFFING 5	A	B	C

BUILDING SERVICES 1	A	B	C
BUILDING SERVICES 2	A	B	C

BUILDING SERVICES 3	A	B	C
BUILDING SERVICES 4	A	B	C

FINANCE 1	A	B	C
FINANCE 2	A	B	C
FINANCE 3	A	B	C
FINANCE 4	A	B	C
FINANCE 5	A	B	C
FINANCE 6	A	B	C

ORGANISATION 1	A	B	C
ORGANISATION 2	A	B	C
ORGANISATION 3	A	B	C

INFORMATION & IT 1	A	B	C
INFORMATION & IT 2	A	B	C
INFORMATION & IT 3	A	B	C
INFORMATION & IT 4	A	B	C
INFORMATION & IT 5	A	B	C

The 6 high-level risk elements identified are as follows:

Reputation

R1

Failure to determine and communicate an appropriate and focused strategy
 Failure to attract sufficient numbers of targeted students/customers
 Failure to attract and retain high-quality staff
 Failure to secure significant funding bids.

Student Experience

S1

Failure to provide the range and structure of courses that meet the expectations of students
 Failure to attract sufficient numbers of targeted students
 Lower student recruitment and retention
 Reduction in income

S3

Failure to meet target student recruitment level
 Failure to meet target student retention level
 Failure to meet target achievement level

Financial Issues

F12

Failure to attract customers in supporting business units
Failure of business units to break-even
Failure to meet finance liabilities
Worst case, recovery plan, or insolvency

F13

Unable to meet LSC targets which then reduces income
Failure to meet financial liabilities
Worst case, recovery plan or insolvency

F15

Loss of major funding bids
Inability to bid successfully for competitive funding
Loss of additional sources of income
Reduction in courses offered to students
Reduction in services offered to customers