# Risk Management Policy

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This policy and procedure is subject to The Equality Act 2010 which recognises the following categories of individual as Protected Characteristics: Age, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion and Belief, Sex (gender), Sexual orientation, Disability.

**Risk Management Policy**

**INTRODUCTION**

In complex organisations such as colleges, management operates at different levels, with each level delegating tasks and authorities to others with the combined aim of delivering the agreed objectives. Delegation does not remove accountability and managers exercise this through seeking assurance that responsibilities that they have delegated are being carried out in the way intended. Most college governors are substantially removed from day to day activity and rely on assurances through management representations and information in order to carry out their role.

Assurance for governors and Accounting Officers is most likely to be about confirming that:

- Plans, policies and procedures are fit for purpose and being operated;
- Agreed actions are taken to timescale and planned outcomes achieved;
- Performance is in line with expectations;
- Risks are being managed;
- Management reports are reliable;
- Planned internal or contracted activities are taking place and unacceptable activities are not taking place; and
- Value for money is being achieved.

**POLICY STATEMENT**

> Milton Keynes College will effectively manage risk, taking all reasonable practicable steps to ensure the protection of staff, students, assets and the reputation of the College.

**AIM OF THE POLICY**

- To ensure there are appropriate arrangements and clear responsibilities for risk management in the College;
- To establish an open and receptive approach to solving risk;
- To make conservative and prudent recognition and disclosure of the financial and non-financial implications of risks;
- To gain a clear and complete understanding of the services delivered, the activities undertaken, and the types of assurance currently obtained, and consideration as to whether they are effective and efficient;
- To Identify areas where assurance activities are not present, or are insufficient for the needs of the College;
- To identify areas where assurance is duplicated, or is disproportionate to the risk of the activity being undertaken (i.e. there is scope for efficiency gains);
- To identify areas where existing controls are failing and as a consequence the risks that are more likely to occur; and
- To provide an evidence base to assist the College in the preparation of its annual Statement of Corporate Governance and Internal Control.

**SCOPE OF THE POLICY**

All activities undertaken on behalf of the College that may contain a level of risk that could impact on the achievement of College objectives.

**ROLES AND RESPONSIBILITIES**

**Audit and Risk Committee**

• To advise the Board of Governors on the concepts and requirements of risk management.
• To act as a catalyst for risk management activity across the College.
• To ensure appropriate audit work is performed on risk management.
• Bringing higher level risks to the attention of the Board of Governors.
• To review new risks or failures of existing control measures
• To review the adequacy of internal control systems designed to minimise risk
• To receive the reports from the Risk Management Group and make appropriate recommendations to the College's Senior Leadership Management Team, which will effectively improve systems of control.
• To ensure that the risk management arrangements are audited and scrutinised to ensure they are effective.

**Risk Management Group**

• To develop the College's Risk Management Policy.
• To compile the College's Strategic and Operational Risk Registers.
• To identify, from the risk registers, the top risks faced by the College.
• To identify new risks and take controlling actions where necessary.
• Overall co-ordination of risk management.
• To review impact and mitigating factors i.e. actions for risks occurring and risk reduction/elimination on the Risk Registers.
• To maintain the Audit and Risk Committee and Board of Governor's confidence that risk is being managed effectively within the College and that solutions to identified risks are in place and are appropriate.
• Via the Chief Operating Officer, to report the status of risk management and the risk registers to the Audit and Risk Committee at each meeting, and to the Board of Governors annually.

The Risk Management Group meets on a monthly basis. Minutes are taken at the meetings and there are arrangements in place to ensure that agreed actions are carried out.
The workings of the Risk Management Group are summarised in a report to each subsequent meeting of the Audit and Risk Committee.

A key source of assurance is obtained from the Internal Audit Service. There is a clear link between the College's Risk Register and the Internal Audit Strategy and Annual Internal Audit Plan. Consequently, where the Risk Management Group, the Senior Leadership Team (most of whom are members of the Risk Management Group), or the Board identify any emerging risks, and/or where the risk priorities for the College change, and/or where there are concerns about a particular area of activity, subject to the agreement of the Audit and Risk Committee the Internal Audit Strategy and Annual Plan is revised accordingly.

**Senior Leadership Team**

- Implementation of the Risk Management Policy.
- Promotion of an holistic approach to risk management.
- Report risks to the Risk Management Group, via the Chief Operating Officer
- Ensure appropriate levels of awareness throughout the organisation

**College Staff**

- Understand their accountability for individual risks.
- Understand how they can enable continuous improvement of risk management and risk awareness.
- Report systematically and promptly to a member of the College Management Team or Senior Management Team any perceived new risks or failures of existing control measures.
- Report on current 'active' risks highlighting mitigating actions and effect towards risk reduction