

 <p>ST ATHANASIUS COLLEGE</p>  <p>UNIVERSITY OF DIVINITY</p>	<p>St Athanasius College RISK MANAGEMENT POLICY</p>
Control Number	RMP0316
Policy No.	SAC003/RMP
Responsible Officer	Dean
Contact Officer	Director of Academic Administration
Authorisation	SAC Council
Effective Date	TBA
Modifications	Submitted to SAC Council April 6 2016
Superseded Documents	Nil
Review	Annually: Council
Associated Documents	SAC OHS Policy SAC Emergency Evacuation Procedures SAC Critical Incident Procedure (Inc. After Hours)

POLICY STATEMENT

Risk Management is an integral part of sound management practice and an essential element of good corporate governance, as it improves decision-making and enhances outcomes and accountability.

The aim of this policy is to ensure that the College makes informed decisions with respect to the activities that it undertakes by appropriately considering both risks and opportunities.

OBJECTIVES

The application of this policy and related framework will provide the basis for:

- more confident and rigorous decision-making and planning;
- better identification of opportunities and threats;
- pro-active rather than re-active management;
- more effective allocation and use of resources;
- improved incident management and reduction in loss and the cost of risk;
- improved stakeholder confidence and trust;
- a clear understanding by all staff of their roles, responsibilities and authorities for managing risk;
- improved compliance with relevant legislation;
- better corporate governance; and
- the development of a more risk aware organisational culture through enhanced communication and reporting of risk.

RESPONSIBILITY

The following people have a responsibility in relation to this procedure:

- SAC Council
- SAC Finance Committee
- SAC Dean
- Director of Academic Administration
- SAC Faculty
- SAC Staff

RISK OVERVIEW

- Risk management will be incorporated into the strategic and operational planning processes at all levels within the College.
- Risk and the management of risk will be identified and monitored according to the risk categories, as defined in the *Risk Management Plan*.
- Risk assessments will be conducted on all new commercial activities, ventures and projects prior to commencement to ensure alignment with College objectives.
- Risks will be identified, reviewed and monitored on an ongoing basis at nominated levels within the College, at least annually.
- Risks will be assessed against the College's agreed risk assessment matrix according to agreed definitions of likelihood and consequence.
- All identified risks will be recorded in the College's risk management records.
- All risks will be assigned an owner who is responsible for managing, monitoring and ensuring that adequate controls and treatments are being applied so that risks are brought within tolerable levels.

PROCEDURE

- 1. Establishing the Context:** the College considers both external and internal factors when identifying and managing risks associated with the achievement of strategic and operational objectives.
- 2. Risk assessment:** the overall process of risk identification, risk analysis and risk evaluation.
- 3. Risk identification:** identifying risk sources, areas of impacts, events, causes and possible consequences to form a comprehensive list of risks based on those events that might create, enhance, prevent, degrade, accelerate or delay the achievement of objectives.
- 4. Risk analysis:** considering the range of causes, sources of risk, consequences and likelihood to produce a risk rating. The rating can then be used to determine further management by the College.
- 5. Risk evaluation:** the level of risk identified during risk analysis can be ranked and prioritised according to a consistent overall ranking and rating system.
- 6. Communicate and consult:** Effective communication, consultation and education in risk management are necessary to achieve a successful integration of the risk processes into the College.
- 7. Risk treatment:** selecting one or more options for modifying risks including funding and other resource considerations.
- 8. Monitoring and review:** Continual monitoring and reviewing of risk profiles in the Risk Register is essential to maintain the effectiveness and appropriateness of the College's risk

management profiles, including more specifically, risk treatment plans, risk assessments and to identify emerging risks.

REVIEW & EVALUATION

The policy will be endorsed and reviewed by the SAC Council.

Risk Management Plan Guide and Template

Summary

The purpose of this document is to provide a management framework to ensure that levels of risk and uncertainty are properly managed. As risk management is an ongoing process, the Risk Register must be considered a 'snap shot' of relevant risks at one point in time.

This document will achieve this by defining the following:

- *the process that will be/has been adopted to identify, analyse and evaluate risks for SAC at a point in time;*
- *how risk mitigation strategies will be developed and deployed to reduce the likelihood and/or impact of risks;*
- *how often risks will be reviewed, the process for review and who will be involved;*
- *roles and responsibilities for risk management;*
- *how reporting on risk status, and changes to risk status, will be undertaken;*
- *a complete Risk Register containing all risks, their current gradings and the identified risk mitigation strategies to reduce the likelihood and seriousness of each risk.*

Introduction

The purpose of risk management is to ensure levels of risk and uncertainty are identified and then properly managed in a structured way, so any potential threat to the delivery of outputs (level of resourcing, time, cost and quality) and the realisation of outcomes/benefits is appropriately managed to ensure the College meets its objectives.

The objectives of the risk management approach for SAC are to identify, assess and mitigate risks where possible and to continually monitor risks as other risks or threats emerge or a risk's impact or likelihood changes.

As risk management is an ongoing process, this Risk Management Plan and Risk Register must be considered a 'snap shot' of relevant risks for a point in time.

Where required, the process of risk identification, assessment and the development of countermeasures will involve consultation with the Council, the senior staff, or other relevant stakeholders.

Risk Assessment

Identification

Risk identification involves determining which risks or threats are likely to impact the objectives of the College. It involves the identification of risks or threats that may lead to outputs being delayed or reduced, outlays being advanced or increased and/or output quality (fitness for purpose) being reduced or compromised.

The following categories can be utilized to identify potential risks: Finance, Infrastructure, Staff, Programs, Students, Compliance

The wording or articulation of each risk should follow a simple two-step approach:

1. *Consider what might be a 'trigger' event or threat; then*

2. *Identify the risk - use a 'newspaper headline' style statement – short, sharp and snappy (eg. 'budget blow out') then describe the nature of the risk and the impact if the risk is not mitigated or managed.*

Use the Risk Register to document the results.

In this section specify:

- *what risk identification process has been undertaken;*
- *any categories used to assist in the identification or relevant risks;*
- *when the risk identification process occurred; and*
- *who was involved.*

Analysis and Evaluation

Once risks have been identified they must be analysed by determining how they might affect the success of the project. Generally the impact of a risk will realise one or any combination of the following consequences:

- *outcomes (benefits) are delayed or reduced;*
- *output quality is reduced;*
- *Timeframes are extended;*
- *Costs are increased.*

Once analysed, risks should be evaluated to determine the **likelihood** of a risk or threat being realised and the **seriousness**, or impact, should the risk occur.

Likelihood	Seriousness				
Rating	Insignificant	Minor	Moderate	Major	Catastrophic
Almost certain - controls unsatisfactory to mitigate the risk	High	High	Extreme	Extreme	Extreme
Likely - Controls inadequate to mitigate the risk and require improvement	Medium	High	High	Extreme	Extreme
Possible - Controls reasonable / adequate to mitigate the risk but may still require improvement	Low	Medium	High	Extreme	Extreme
Unlikely - Controls robust and adequate to mitigate the risk	Low	Medium	Medium	High	Extreme
Rare - Controls strong to mitigate the risk	Low	Low	Medium	High	High

Seriousness Legend

Rating	Description
Insignificant	Impact can be easily absorbed without requiring management effort
Minor	Impact can be readily absorbed but some management effort is required
Moderate	Impact cannot be managed under normal operating conditions; requiring moderate level of resource and management input
Major	Impact requires a high level of management attention / effort and resources to rectify
Catastrophic	Disaster with potential to lead to business collapse and requiring almost total management attention / effort to rectify

Risk Treatment

Mitigation of risks involves the identification of actions to reduce the likelihood that a threat will occur (preventative action) and/or reduce the impact of a threat that does occur (contingency action). This strategy also involves identifying when the action should be undertaken.

Risk mitigation strategies to reduce the chance that a risk will be realised and/or reduce the seriousness of a risk if it is realised have been developed. The following table is useful to determine how risks will be treated in terms of preparation and/or deployment of mitigation strategies. Mitigation strategies are usually only prepared and/or deployed for risk that are high or extreme.

Grade	Possible Action
Extreme	Mitigation actions, to reduce the likelihood and seriousness, to be identified and implemented.
High	Mitigation actions, to reduce the likelihood and seriousness, to be identified and appropriate actions implemented.
Medium	To be noted; no action is needed unless grading increases over time.
Low	To be noted; no action is needed unless grading increases over time.

In this section specify:

- *Key stakeholders nominated as responsible for undertaking specific risk mitigation actions;*
- *Any major budgetary implications*

For any identified extreme grade risks specify:

- *What type of mitigation action is proposed (preventative or contingency);*
- *Who is responsible for undertaking the proposed action; and*
- *Any cost implications for the project Budget.*

Risk Monitoring

Risk Management is an iterative process that should be built into the management processes for any project. It must be closely linked with Issues Management, as untreated issues may become significant risks. If prevention strategies are being effective, some of the High and Extreme Risks should be able to be downgraded fairly soon into the project.

In this section specify

- *How frequently a review of the Risk and Issues Registers will be undertaken (eg. fortnightly, monthly);*
- *Who will be involved in the review of the Risk and Issues Registers (eg. the Project team);*
- *How often risks will be monitored to ensure that appropriate action is taken should the likelihood, or impact, of identified risks change and to ensure that any emerging risks are appropriately dealt with (eg. monthly);*
- *If the Risk Register will be maintained as a separate document or as part of the Risk Management Plan;*
- *How often the Council will be provided with an updated Risk Register for consideration;*