



**CARLOW  
COLLEGE**  
ST. PATRICK'S

**TITLE: RISK MANAGEMENT POLICY**

<b>Effective Date</b>	06 February 2019	<b>Version</b>	01
<b>Approved By</b>	Management Board	<b>Date Approved</b>	06 February 2019
		<b>Review Date</b>	06 February 2022 <i>or as required</i>
<b>Superseded or Obsolete Policy / Procedure(s)</b>		<b>Owner</b>	
		Director Of Operations	

**1. Purpose of Policy**

The purpose of the Policy is to provide guidance and a framework for Carlow College, St Patrick's (hereafter Carlow College) to support its management of Risk to satisfy both its corporate governance and strategic / operational objectives.

A risk is an uncertain event or condition that, if it occurs, has a positive or negative effect on a College objective(s). This policy and supporting guidelines recognises that the identification, evaluation and control of Risks is an ongoing process which transcends across all decision making functions of the College.

The Policy will require the development and implementation of a Risk Management Framework (RMF) which is a structured process used to identify potential threats to the College and to define the plan for eliminating or minimising the impact of these risks. This will be set out in the accompanying Risk Register.

An aim of the Policy is to maximise opportunities for the College either through the elimination of Risk or reducing a Risk to an acceptable level, after due evaluation, and embedding a risk aware culture across all College activities.

As a private College with Charitable Status, the *Charities Act 2009* provides the Legal and Governance framework pursued by the College including accounting and reporting criteria.

As a Higher Education Institution (HEI) in receipt of State Funding (Free Fees Scheme) and with Quality and Qualifications Ireland (QQI) as our awarding body, the College is subject to the guidelines set down by these bodies.

This Policy is also drafted in line with the International Organisation for Standardisation (ISO 31000).

## **2. Scope of Policy**

The *Risk Management Policy* extends to all parties whereupon an outcome of their action or decision could be to expose the College to some element of Risk. The Risk Register should be consulted for the definitive schedule of such risks and impacted areas which fall under the following headings:

- Academic risks
- Compliance risks
- Financial risks
- Operational risks
- Reputational risks
- Strategic risks

## **3. Policy Statement**

For the benefit of all stakeholders, Carlow College, in fulfilling its obligations to reduce / eliminate all risk factors which could impact adversely on its activities, undertakes to adhere to the highest Risk Management standards, including those set down for the HEI sector. It is expected that all impacted parties will pursue the policy and guidelines laid down and assess the risk consequences of their actions / decisions through adopting the following five steps:

- Identify: Identify any risk events that may prevent the College achieving its goals or objectives.
- Analyse: Analyse the cause and impact of a risk event in order to assess the likelihood and consequence of the risk.
- Control: Implement the most effective control measure that is reasonably practicable in the circumstances.
- Monitor: Continually review control measures to ensure their effectiveness.
- Report: Provide regular reports in order to assure the College and relevant stakeholders that risks are being appropriately managed.

## **4. Roles and Responsibilities**

Overall responsibility for the management of risk within the College lies with the Governing Body.

The Audit Committee of the Governing Body will ensure on behalf of the Governing Body that the College has a *Risk Management Policy* and risk process that provides the protection required under regulation and good governance practices.

The Management Board of the College has agreed the establishment of the Finance, Estates and Risk Committee. This is a standing committee of the College and reports to the Management Board. The remit of the Finance, Estates and Risk Committee includes the review and evaluation of the College's Risk Management Plan and Business Impact Analysis. The committee will guide and oversee the development of the *Risk Management Policy* and processes with the Director of Operation taking responsibility to coordinate this activity.

Under the area of Risk Management, the Finance, Estates and Risk Committee will:

- review the Risk Management Process within Carlow College;
- input towards the development of standards, guides, procedures and processes that influence the identification and management of risk within the College;
- monitor the Risk Management Register and oversee the controls / mitigation options in place to reduce / eliminate risk;
- undertake as required an analysis of a specific potential risk factor and provide an evaluation and solution if appropriate; and,
- in identifying risks, regard will be had to all possible internal and external sources of risk including strategic objectives, compliance obligations, governance risks and all academic and operational activities.

The Finance, Estates and Risk Committee reports to the Management Board and has a consultation / information relationship with the Governing Body's Audit Committee.

The Finance, Estates and Risk Committee will provide bi-annual reports to the Governing Body's Audit Committee on the activities and assessments in the management of risk.<sup>1</sup>

The Governing Body will review annually the effectiveness of the College's system of internal controls, including financial, operational and compliance controls and risk management.<sup>2</sup>

All staff and learners have a significant role in the management of risk within their area of influence. Staff are responsible for adhering to the College's *Risk Management Policy*.

## **5. Associated Documentation**

- Appendix 1: Guidelines to Risk Management

## **6. Monitoring and Review**

This policy will be monitored on an annual basis by the Finance, Estates and Risk Committee and formally reviewed three years after the effective date.

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<sup>1</sup> Terms of Reference of the Management Board of Carlow College, St. Patrick's.

<sup>2</sup> Carlow College, St. Patrick's Governing Body's Code of Governance.

## Appendix 1: Guidelines to Risk Management



### Guidelines to Risk Management

The risk management process being pursued by Carlow College follows the process and framework provided by the NSAI ISO 31000:2009. This risk management process ensures the systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.

This risk management process being pursued by the College consists of five stages and is applied across all risk categories:

#### **Establishing the context:**

The College's *Risk Management Policy* sets out the background and approach (context) to risk management including the purpose, scope, and roles / responsibilities. Internal and external influences on all College activities which would be identified through a SWOT analysis also input into establishing the context for developing risk management processes.

#### **Risk Identification:**

All sources of risk and areas of impact and events which could create, enhance, prevent, degrade, accelerate or delay the achievement of objectives are identified by the College.

#### **Risk Analysis:**

This involves the development by the College of an understanding, cause, and source of the risk including the positive and negative consequences, the likelihood of occurring and what are the knock on effects.

#### **Risk Evaluation:**

Following the earlier steps the College then evaluates the information / data collected and this will inform towards the steps to be taken to mitigate the perceived or actual risk.

#### **Risk Treatment:**

This involves the implementation of the plans agreed to reduce or eliminate the perceived or actual risk facing the College.

### 1. Risk Management Framework

The College views risk management as a process of proactively identifying issues and assessing their potential likelihood and impact. Taking a proactive approach allows the College to anticipate risk and make informed decisions. The identification of potential risks that could

impact on the College achieving its objectives is vitally important and requires a risk management framework to be implemented and pursued.

The College has categorised its risk areas under the following headings:

- Academic
- Compliance and Regulatory
- Financial
- Operational
- Reputational
- Strategic

Through the development of a Risk Register the College authorities will monitor the likely impact any particular risk or event will have on its activities and provide an immediate assessment of current and future control methods to mitigate / avoid the perceived or actual threat.

All potential or real risks identified under the six risk category areas will be entered on the Risk Register which will be completed under each of the headings by the risk owner. The risk owner in consultation with the Director of Operations, the Finance, Estates and Risk Committee and relevant College authorities will agree the course of actions to be pursued to reduce or eliminate the threat from the risk identified.

The framework for the Risk Register is set out below together with guidance for its completion.

## 2. Risk Register

Risk Category	Risk No.	Risk Description	Risk Owner	Risk Impact H/M/L	Risk Probability H/M/L	Current Controls in place	Future Controls/ Actions Required	Date

**Risk Category:** A separate Risk Category folder will be held within the Risk Register to record each risk / event.

**Risk Number:** Every risk / event will be allocated an identification number for ease of reference.

**Risk Description:** This will outline the actual or perceived risk / event that requires action.

**Risk Owner:** The individual in the College who will take responsibility for monitoring / controlling the particular risk / event.

**Risk Impact:** Following an assessment of the risk / event identified the risk owner will indicate whether in his / her opinion the Risk Impact for the College should be allocated a High, Medium or Low status.

**Risk Probability:** Following an assessment of the risk / event identified the risk owner will indicate what the probability of it occurring by allocating a High, Medium or Low status.

**Current Controls:** The comment here should summarise what current controls, policies or procedures are in place to mitigate the risk or event identified.

**Future Controls:** The comment here should outline further controls / actions required to reduce / eliminate the impact of the risk or event identified.

**Actions Required:** The comment here should detail the action(s) to be utilised to manage or mitigate the risk.

**Date:** The date the risk /event is first entered on the Risk Register should be entered here.

### **3. Monitoring and Review of Risk Register**

The Risk Register will be monitored / updated on an ongoing basis by the Director of Operations and the Finance, Estates and Risk Committee will review the Risk Register on a quarterly basis with a report to be provided to the Audit Committee of the Governing Body. Academic Council will have a designated item on its agenda titled 'Risk Management' that will actively monitor academic risks and will report monthly to the Director of Operations if there are any changes to academic risks. The Risk Register will be formally reviewed on an annual basis by the Estates, Finance & Risk Committee.