

Audit and Risk Committee

DATE:	26 th April 2021
TITLE OF REPORT:	Risk Management Arrangements
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PURPOSE:	To present the proposed revision of risk management arrangements.
KEY RECOMMENDATIONS/ DECISIONS:	<ul style="list-style-type: none"> • To review the draft update to the Risk Policy and Procedures • To review and approve the revised approach to having a strategic risk register for the College and to have operational risks the responsibility of the faculties and support departments. These proposals will ensure an all-College ownership of risk and local accountability for risk management.
RISK	The main risk is that the College's risk management arrangements do not adequately cover all requirements and that risk owners are not supported to manage risk appropriately.
RELEVANT STRATEGIC AIM:	To support the continued financial sustainability of the College through robust and monitored risk management processes
SUMMARY OF REPORT:	The College has reviewed its risk management procedures and determined that the main risk register should cover strategic risks, with operational risk management being dealt with by the relevant faculties and support staff departments.

Attached documents:

Appendix 3	Draft Risk Policy and Procedures
Appendix 4	Draft list of Strategic Risks
Appendix 5	Draft Strategic Risk Register
Appendix 6	Draft Strategic Risk Worksheet
Appendix 7	Draft Operational Risk Worksheet

1. Introduction

The College's Risk Management Group has been working on a review of the current arrangements for risk management. It has been proposed that the College maintain a strategic risk register and look to the individual faculties and support staff departments to maintain their own operational risk registers, with these being reviewed on a regular basis as part of the normal cycle of internal meetings.

2. Risk Policy and Procedures

Attached as Appendix 3 is a revised document that outlines the College's proposed approach to risk. It incorporates the Risk Journey that allows for a more cohesive and inclusive review and monitoring of risk, involving the main College management groups, the College Leadership Team (CLT) and the Senior Leadership Team (SLT). The deliberations of the Risk Management Group will filter through either or both of the CLT and SLT, depending on circumstances, prior to the updated risk register being presented to the Audit and Risk Committee and the Board. This should result in risk being given an enhanced importance in the overall management of the College and ensures local accountability for risk management.

3. Strategic Risks and the Strategic Risk Register

Appendix 4 lists the current risks and the proposed list of strategic risks. This list of risks will be reviewed at each meeting of the Risk Management Group. It was recognised that the current Risk Register can be difficult to navigate. The proposed document (Appendix 5) will replace the current Summary Risk Register but will also have enough information contained therein to give a concise but comprehensive summary. This draft document remains a work in progress at present.

It is proposed that each risk will have a separate worksheet, but the format of this has still to be agreed. This is also the case with the operational risk worksheet but drafts of both, as Appendices 6 and 7 respectively, will be discussed at the next meeting of the Risk Management Group.

Members are asked to:

- (a) review and note the current risk register;**
- (b) review and approve the draft Risk Policy and Procedures document; and**
- (c) note and approve the format and proposed content of the draft working documents as templates for the College to update the formal arrangements for managing and monitoring risk**