



# YMCA **Wales** Community College



## Risk Management Policy





## 1 Introduction

This document aims to layout the framework necessary for the successful management of risk throughout YMCA Wales Community College (the College).

Risk Management is not solely associated with health and safety, but encompasses all operational areas and activities of the College.

It is the policy of the College to adopt best practices to allow the identification, evaluation and effective control of risks to ensure they are:

- (a) eliminated, or
- (b) reduced to an acceptable management level, and
- (c) subject to periodic evaluation, and
- (d) formally reviewed on an annual basis.

The College accepts that some risks may not be fully eliminated, and therefore has adopted a “**risk acceptance with knowledge**” approach to risk management.

## 2 Definitions

- **Risk** – the possibility of an undesired event
- **Likelihood** – the perceived probability that a risk will be realised
- **Impact** – the perceived effect that a risk will have, if realised.
- **Control Measures** – the means by which the likelihood **and** impact of the risk can be mitigated
- **Responsible Person** – the Senior Manager who carries responsibility for managing risks identified and evaluated within their sphere of responsibility.
- **Risk Register** – document containing details of those risks which have been identified and evaluated. The Register will be reviewed annually by the Senior Management Team (see Annex A).

## **3 Risk Management**

### **3.1 Risk Management Purpose and Aims**

The College's risk management programme will aim to identify, assess and evaluate reasonably foreseeable risks, new risks and/or new project risks and to evaluate, control and monitor these risks to ensure they remain within tolerance ranges, with the goal of:

- Reducing the likelihood of personal and property loss.
- Reducing the potential total cost of risk to which the College as a whole, or as individual areas, may be exposed to.
- Promoting risk awareness throughout the College.
- Maintaining legislative compliance with statutory duties, responsibilities, etc. with a view to avoiding, or mitigating, prosecution or civil claims.
- Securing the earning capacity of the College by limiting the exposure to risks which have the potential to adversely affect the current and forecasted budget position.
- Reducing the total cost of insured risks, together with reduction in premiums due to claims.

The College will maintain a comprehensive Risk Register, containing the evaluated and controlled risks.

The Audit Committee will receive reports at all scheduled meetings on risks, and the effectiveness of risk management measures on previously identified risks.

An annual review of the College's Risk Register will be conducted by the Senior Management Team and reported at a scheduled meeting of the Audit Committee.

### **3.2 Organisation and Risk Ownership**

#### **3.2.1 Monitoring Level**

The Audit Committee is responsible for monitoring the effectiveness of the College's management of risk, and will receive a standing report from the Head of College regarding any evaluation of new risks, and the outcome of reviews of the Risk Register.

Under the requirements of the Companies Act 1985, and in line with the proposed Company Directors' (Health & Safety) Act 2003, a member of the Board of Governors will assume the role of overseeing the College's management of risk by:

- monitoring, in association with the Head of College, the College's risk management performance on a regular basis;
- ensuring the College's management systems provide for effective monitoring and reporting of risk management;

- bring to other governors' attention any significant risk management failure, and appropriate recommendations for change; and
- reporting to the full Governing Body on any risk management monitoring activities he/she has participated in.

### **3.2.2 Strategic Level**

The Head of College should understand the risks involved in achieving the College's mission statement and core business aims.

The Head of College will be responsible for ensuring the Risk Register is maintained. In addition the Head of College will also ensure that new risks arising out of projects are evaluated and suitable control measures are put in place. The Head of College will also be responsible for reporting on the College's risk exposure at scheduled meetings of the Audit Committee.

The Head of College should be satisfied that:

- the Risk Register is as accurate as possible;
- suitable control measures are in place to eliminate or mitigate the likelihood and impact of risks;

The Head of College has a responsibility to ensure that risk is managed to the standards required by this Policy, and that the other members of the Senior Management Team act likewise, in order to mitigate the potential for prosecution under Sections 37 and 40 Health and Safety at Work etc. Act 1974 following an actual, or perceived, breach of statutory duty.

### **3.2.3 Operational Level**

The Head of College will maintain a working knowledge of the occupational risks posed to the College as a whole, together with specific responsibilities for occupational health & safety and personnel occupational risks.

Members of the Senior Management Team will be individually responsible for maintaining control over specified risks, as identified within the College's Risk Register, which fall within their sphere of responsibility.