

## **RISK MANAGEMENT POLICY**

<b>Policy owner</b>	Risk Management Committee
<b>Policy category</b>	Governance
<b>Policy status</b>	Approved
<b>Approval body</b>	MIECAT Council
<b>Last amended</b>	1 <sup>st</sup> June 2023

### **PURPOSE**

This policy defines the MIECAT Institute's approach to risk management. The MIECAT Institute is committed to the management of risk as an integral part of its operations, focusing on strategies to minimise risks to its goals and objectives.

Significant risks are those that threaten educational quality, meeting the needs of students, and academic excellence including the freedom of intellectual inquiry.

### **SCOPE**

This Policy applies to all staff, students, and visitors in the MIECAT environment.

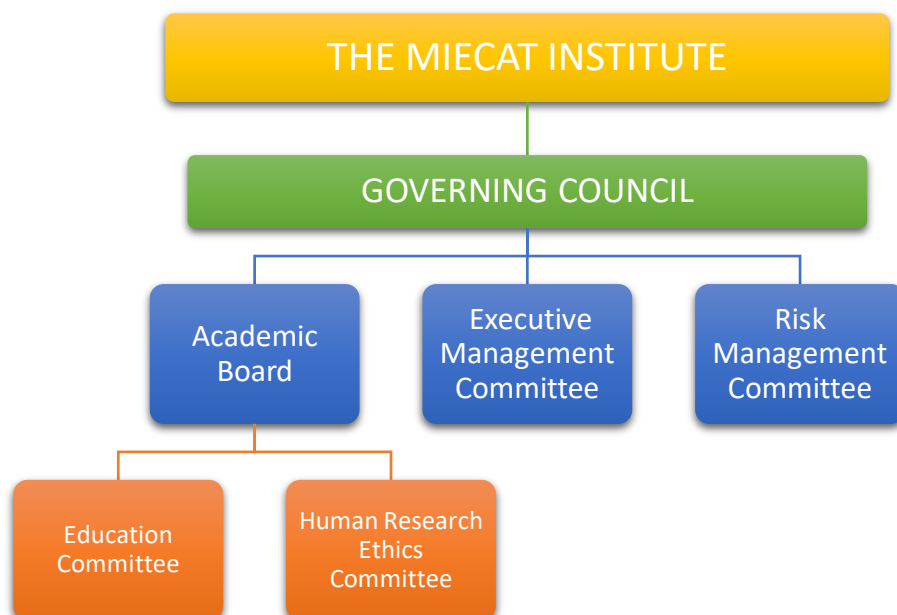
### **POLICY AND PROCEDURES**

#### 1. Overview

1.1 MIECAT does not believe it is possible to avoid risk entirely. To attempt to do so would mean that the organisation would effectively be unable to function. It would also not be able to take advantage of opportunities as they arise.

However, as an organisation of limited financial resources, the Council's attitude to risk is generally cautious.

- 1.2 Risk management is the responsibility of all MIECAT staff. As such, risk management principles and practices should be integrated within and across all organisational and operational areas. Specific staff may have explicit risk management responsibilities, such as the MIECAT Council, Academic Board and Executive Management Committee, however, it is the responsibility of all staff to be proactive in MIECAT's risk management.
- 1.3 Risks will be identified, reviewed and monitored on an ongoing basis. For the purposes of this policy, the risks identified are failures which significantly impact on the quality of education, the needs of students and development of academic excellence including the freedom of intellectual inquiry.
- 1.4 All risks identified as being significant to MIECAT will be recorded in the Institute's Risk Register.
- 1.5 Identified risks will be assigned an owner who is responsible for managing, monitoring and ensuring that adequate treatments and controls are being applied.
- 1.6 Risk management occurs within the governance framework of MIECAT as represented below:



## 2. Risk Management process

### 2.1 Reporting requirements

No	Item	Responsible Position	Timing
1	Incorporate risk management into the MIECAT planning process	Risk owners (as identified in the risk register) are responsible to align risks with strategic planning process.	Annually as part of the strategic planning process.
2	Risk Register and treatment plans and progress reports	Committees report on risks to the Risk Management Committee who then update the Risk Register and report to the Council.	Every 6 months

### 2.2 Risk Management procedure

#### 2.2.1 Establish the context

MIECAT will consider both external and internal factors when identifying and managing risks associated with the achievement of strategic and operational objectives, including the higher education standards.

#### 2.2.2 Identify risks

Identifying hazards and opportunities, risk sources, areas of impact, causes and possible consequences will form a comprehensive register of significant risks.

#### 2.2.3 Analyse risks

Consider the range of causes, sources of risk, likelihood and severity to produce a risk rating.

<b>Likelihood rating</b>	<b>Description</b>
Rare (1)	May occur only in exceptional circumstances or exceptionally unlikely in the very long term. "100-year event"
Unlikely (2)	Could occur at some time but is not anticipated. "Years to decades"
Possible (3)	Might occur at some time but distinct possibility it won't. "Months to years"
Likely (4)	Will probably occur in most circumstances. "Weeks to months"
Almost certain (5)	Is expected to occur in most circumstances. "Days to weeks"

<b>Severity rating</b>	<b>Description</b>
Insignificant (1)	Even if it occurs it will have little or no impact
Minor (2)	If it occurs, it will require some but not major attention
Moderate (3)	If it occurs, it needs to be attended to as matter of importance
Major (4)	If it occurs, it will have significant impact and require whatever resources are necessary to deal with it.
Ruinous (5)	If it occurs, it will shut down operations and needs to be dealt with as the highest priority on a preventative basis

Likelihood Rating	Severity/Consequence Rating				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Ruinous (5)
<b>Almost Certain (5)</b>	Medium 5	High 10	High 15	Extreme 20	Extreme 25
<b>Likely (4)</b>	Low 4	Medium 8	High 12	High 16	Extreme 20
<b>Moderate (3)</b>	Low 3	Medium 6	Medium 9	High 12	High 15
<b>Unlikely (2)</b>	Low 2	Low 4	Medium 6	Medium 8	High 10
<b>Rare (1)</b>	Low 1	Low 2	Low 3	Low 4	Medium 5

#### 2.2.4 Evaluate risks

The level of risk identified will be ranked and prioritised, including an assessment as to the adequacy of existing risk treatments.

#### 2.2.5 Communicate and Consult

All parties involved will receive communication of risk level and asked to respond.

#### 2.2.6 Assign responsibility

Risk owners and responsible staff members are identified. Risk owners are responsible for ensuring that the risk treatments are implemented in accordance with the resolution or review date.

#### 2.2.7 Treat risks

The risk treatment for modifying and/or eliminating risks is identified, including funding and other resource considerations. Risk treatments

should take into consideration the risk rating assigned. Staff should outline all the actions or treatments that will be implemented, either in the short-term or long-term, to prevent or mitigate the risk event. Risk owners are responsible for ensuring that the risk treatments are implemented in accordance with the resolution or review date.

Following the continuation of existing treatments and/or implementation of future treatments, the risk rating should be reduced or lowered as far as practicably possible.

#### 2.2.8 Recording on the Risk Register

A summary of all the major assessed risks at MIECAT will be recorded on the Risk Register. The Risk Management Committee will be responsible for completing and managing the Risk Register.

#### 2.2.9 Monitor and Review

Continual monitoring and review of the Risk Register will maintain the effectiveness and appropriateness of the risk profiles, treatment plans, risk assessments and identification. Responsible staff members will regularly update Risk owners with a brief and meaningful progress summary.

The Risk owners will:

- monitor the implementation of risk treatments, receive reports from responsible staff members, and report on progress to the Risk Management Committee;
- review their allocated risk lists and update including descriptions and ratings;
- recommend changes, amendments or additions to MIECAT's Risk Register for consideration of the Risk Management Committee.

### **RESPONSIBILITY FOR IMPLEMENTATION**

1. The Director and all Academic and Administrative staff members have an active role in maintaining a robust risk management culture and process.
2. The Academic Board is responsible to the Council for academic oversight of risks associated with research and academic programs.

3. The Risk Management Committee is responsible for:

- providing leadership on acceptable risk exposure;
- maintaining the Risk Management Policy and the Risk Register and monitoring its effectiveness;
- maintaining a framework to manage, monitor and report risk;
- reviewing the Risk Management Policy every three years.

4. All employees are responsible for:

- acting in a manner which does not create significant risks that threaten quality, meeting student needs of students, or academic excellence including the freedom of intellectual inquiry;
- meeting their obligations under relevant legislation including Workplace Health and Safety, Equal Employment Opportunity and Anti-Discrimination;
- identifying new risks and advising their supervisors.

5. Students are responsible for being aware of their role in the management of risk within their area of influence.

6. MIECAT Council is responsible for overseeing risk management.

## **KEY STAKEHOLDERS**

MIECAT Council, Risk Management Committee

## **SUPPORTING DOCUMENTS**

Associations Incorporation Reform Act 2012

TEQSA Risk Assessment Framework 2.3, 2019

Higher Education Standards Framework (threshold Standards) 2021

Risk Management Standard AS/NZS ISO 31000:2009

MIECAT Risk Register

## VERSION HISTORY

<b>Date of Issue</b>	<b>Version</b>	<b>Author</b>	<b>Summary of changes</b>
13/03/2014	1.0	Y. Hines	Reviewed and approved by MIECAT Council
30/08/2018	2.0	Y.Hanks	Revised to reflect <i>Higher Education Standards Framework (Threshold Standards) 2015</i> . Reviewed and approved by MIECAT Council
1st June 2023	3.0	G.Rodda	Revised and approved by MIECAT Council

Document uncontrolled when printed