



Harris Manchester College

Risk Management Policy

October 2022

Approved by Governing Body:	5 October 2022
Review date:	Annually by the Governing Body
Policy Lead:	The Bursar

Purpose of this Document

- This risk management policy forms part of Harris Manchester College's internal control and corporate governance arrangements.
- The policy explains the College's approach to risk management. The document also outlines key aspects of the risk management process, and identifies the main reporting procedures.
- In addition, it describes the process that will be used to evaluate the effectiveness of the College's internal control procedures.

Approach to Risk Management

Harris Manchester College follows and adopts good practice in the identification, evaluation and control of risks to ensure that, as far as reasonably practicable, risks are avoided or reduced to an acceptable level. Although it is acknowledged that risks exist and can never be eliminated, it is important that all members and staff are aware of risk associated with their area of work.

The following key principles outline the College's approach to risk management:

- The Governing Body has responsibility for overseeing risk management within the College as a whole and adopts an open and receptive approach to solving risk problems. The Governing Body may choose to delegate detailed discussion of risk issues to the Finance Committee, but cannot delegate its ultimate responsibility.
- The College Officers advise on and implement policies approved by the Governing Body and are responsible for encouraging good risk management practice within individual areas of responsibility. Key risks will be identified and monitored on a regular basis.

Role of the Governing Body

The Governing Body has a fundamental role to play in the management of risk. Its role is to:

- Integrate risk management into the culture of Harris Manchester College.
- Determine the College's approach to risk as a whole or on any relevant individual issue, including determining which types of risk are acceptable and which are not setting the

standards and expectations of members and staff with respect to conduct, probity and legal compliance.

- Take major decisions affecting the College's risk profile or exposure.
- Monitor the management of significant risks to reduce the likelihood of unwelcome surprises.
- Ensure that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
- Delegate to the College Officers specific aspects of the work outlined above.
- Annually review, through reporting from the College Officers, the College's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

Role of the College Officers

Key roles of the College Officers are to:

- Implement policies on risk management including provision of adequate training in key risk Areas.
- Identify and evaluate the significant risks faced by the College for consideration by the Governing Body.
- Provide adequate information in a timely manner to the Governing Body and its committees on the status of risk and controls.
- Provide co-ordination with University policies, especially as expressed through the Conference of Colleges.
- Undertake an annual review of effectiveness of the systems of internal control and report to the Governing Body.
- Facilitate the identification, assessment and monitoring of major risks faced by the Governing Body.

Risk Management and the Systems of Internal Control

Harris Manchester College's risk management policy includes systems of internal controls. These controls encompass a number of elements that together facilitate an effective and efficient operation, enabling the College to respond to a variety of operational, financial, and commercial risks. These elements include:

- **Policies and Procedures** attached to significant risks are a series of policies that underpin the internal control process. The policies are set by the Governing Body and implemented and communicated by the College Officers to staff. Written procedures support the policies where appropriate.
- **Regular Reporting** is designed to monitor key risks and their controls. Decisions to rectify problems identified are made at regular meetings of the relevant committees of the Governing Body and, if appropriate, of the Governing Body itself.
- The **Planning and Budgeting** process may be used to set objectives, agree action plans, and allocate resources. Progress towards achieving plan objectives could then be monitored regularly.
- A **Risk Register** is compiled by the College Officers and helps to facilitate the identification, assessment and monitoring of major risks to which the College is exposed. The document is formally reviewed annually but emerging risks are added as required, and improvement

actions and risk indicators are monitored regularly. A risk is the threat or possibility that an action or event will adversely (or beneficially) affect Harris Manchester College's ability to achieve its objectives. The purpose of risk management is to reduce the likelihood of something damaging happening, and/or to limit its adverse consequences. Risk may be considered as having two elements: its probability of occurring and its resulting impact or damage to the organisation's reputation or capability.

- **External Audit** of the financial statements provides information and advice to the Governing Body on the operation of the internal financial controls reviewed as part of the annual audit. Other external audits (eg Health and Safety and HR) may also be carried out and their results will be periodically reported to the Governing Body.

Annual Review of the Risk Register and Risk Management

- The Governing Body is responsible for the reviewing annually the effectiveness of The College's risk management, including a formal review of the college risk register. This should take place at the **first Governing Body meeting of Michaelmas Term**.
- Further to the annual formal review, the risk register should be a standing item for the first Governing Body Meeting of each term.
- Any additional risks arising and added to the risk register should also be reported to the Governing Body at the earliest appropriate opportunity, taking into account the significance of the risk added.