



Risk Management Policy

PURPOSE OF THE POLICY

Rockhampton Girls Grammar School is committed to protecting the safety of its students, staff, visitors and volunteers and operating in a financially sustainable manner that is consistent with the needs of its stakeholders.

Risks that are inherent to the operation of the school will be identified, analysed, evaluated and undertaken in a consistent manner. Risk management procedures that form the Risk Management Framework will be used to ensure that risks are monitored and managed to an acceptable level of tolerance to the school, as defined by the Board.

Rockhampton Girls Grammar School will therefore:

- Identify reasonably foreseeable risks associated with its activities that may have a material impact on the school;
- Assess identified risks;
- Put in place controls and treatments to reduce risks to a target level that is consistent with the school's requirements;
- Communicate issues in relation to risks and risk management activities to key stakeholders; and
- Perform on-going monitoring and review of key risks to ensure that changes to the risks affecting the school are identified and managed in a timely manner.

DEFINITIONS

Consequence	The expected outcome or impact of a risk event
Current risk	The risk that remains after mitigating actions or controls have been considered. Current risk is assigned a rating based on current consequence and current likelihood (commonly considered the residual risk rating)
Inherent Risk	Rating of a risk assuming no controls are in place
Likelihood	The probability or chance of a risk event occurring
Operational risk	Key risks arising from Rockhampton Girls Grammar School's operational activities. Operational risks are component risks within each strategic risk
Residual risk	The level of risk that remains after assessing the effectiveness of the controls, management strategies and other mechanisms in place to mitigate a particular risk (Treated Risk)
Risk	Risk is often characterised by reference to any event that will have an impact on the school or any of its activities. Risk is measured in terms of the consequences that could arise from an event (including changes in circumstances), and the likelihood of that particular consequence occurring. Risks to Rockhampton Girls Grammar School are generally assessed in terms of their people, reputation, business operations, governance, financial and educational/ academic outcomes respectively
Risk appetite	The risk appetite of Rockhampton Girls Grammar School is the amount and type of risk that Rockhampton Girls Grammar School is willing to take in order to meet its strategic objectives.
Risk identification	The process of determining the what, where, when, why and how something could happen

Risk Management Framework	Framework enabling the consistent management and reporting of risk throughout Rockhampton Girls Grammar School. The framework includes a risk policy, risk assessment protocol, risk reporting protocol and risk register
Risk rating	A categorisation or prioritisation of risk combining likelihood, consequence and mitigating actions. See current risk and target risk
Risk register	Register that defines and assesses key components of each risk
Risk treatment	The process of implementing measures to modify risk
Strategic risk	Risk categories that represent the key risk areas for Rockhampton Girls Grammar School. Strategic risks impact on the achievement of the organisation's strategic objectives
Worst credible consequence	The worst potential consequence arising from a risk event should that risk occur. Worst credible consequence should be used to calculate consequence ratings

RESPONSIBILITIES

Board

The Board is responsible for ensuring that Rockhampton Girls Grammar School's risk management practices are appropriate and commensurate with the needs of the school and its stakeholders. The Board shall determine the level of risk that the school is prepared to accept in undertaking its activities. These responsibilities include:

- Receiving and challenging the strategic risk profile on a regular basis;
- Approving the Risk Management Framework on an annual basis; and
- Reviewing and approving risk information (including independent appraisals of the Risk Management Framework and external disclosures) that is provided to the Board by the Audit and Risk Committee from time to time.

Principal

The Principal is responsible for:

- Ensuring all risk owners, staff, students and volunteers adhere to the Risk Management Framework;
- Reviewing and endorsing any information provided by the Audit and Risk Committee.

Audit and Risk Committee

An Audit and Risk Committee has been established to oversee Rockhampton Girls Grammar School's risk management processes. Functions of this role include:

- Ongoing review and approval of Rockhampton Girls Grammar School's risk register in accordance with the Risk Reporting Protocol;
- Annually reviewing and recommending any proposed changes to the Risk Management Framework;
- Monitoring adherence to the Risk Management Framework;
- Promoting awareness of the Risk Management Framework throughout the school; and
- Providing any relevant risk information (e.g. independent appraisals of the Risk Management Framework or external disclosures)

Executive Management Team

The Executive Management Team has responsibility for communicating and consulting with staff to ensure risks are identified, appropriate controls are in place and any necessary treatments are addressed in relation to the operational activities of the school.

The Executive Management Team comprises those persons incumbent in the positions of:

- Principal;
- Business Manager;
- Director of Boarding;
- Director of Primary;
- Director of Student Wellbeing;
- Director of Learning;
- Director of Innovation and Learning Technologies;
- Facilities Manager;
- Enterprise Manager

Risk Owners

Risk Owners are individuals who have been allocated ownership of strategic or operational risks and are responsible for managing, monitoring and reporting on the status of the risk to the Board and Audit and Risk Committee. Risk Owners should follow the Risk Management Framework in fulfilling their obligations which include:

- Monitoring and updating risks and their associated ratings on at least a quarterly basis;
- Reporting any new or re-rated risks in accordance with the Risk Assessment Protocol;
- Reviewing all risks in their area at least once per year.

All Staff, Contractors and Volunteers

Risk management is the responsibility of all Rockhampton Girls Grammar School staff, contractors and volunteers. This group should be aware of and are responsible for applying risk management principles and practices relevant to all areas of their work.

Risk Assessment Protocol

Risk management is enhanced through the establishment of consistent and clear procedures for performing risk assessments. The Risk Assessment Protocol describes the criteria that will be used by Rockhampton Girls Grammar School to assess consequence and likelihood, leading to an overall risk rating. The overall risk rating will be measured for current risk (the risk level at the present time that takes into account all controls) and target risk (a future risk level that Rockhampton Girls Grammar School would like to reach in the short to medium term).

The Board has considered The Grammar Schools of Queensland Association Risk Register in developing its risk assessment process. It has developed its process using likelihood and consequence measures, and building these into a risk level matrix. Risk will be assessed on an inherent basis (before controls are applied), and on a residual risk basis (following the application of controls).

The Risk Assessment Protocol also describes the ownership, monitoring and management requirements for each level of overall risk.

Risk Consequence

Risk consequence describes the expected outcome or impact should a risk event occur. When assessing consequence, the *worst credible outcome* should be used. The potential consequence for a risk will be assessed using the following scale. The Board has determined that a 'material' risk is one that has the potential, if realised, to:

- Adversely affect the interests of students, staff and other stakeholders; or
- Have a significant impact on the business operations, reputation, profitability or net assets of the school.

In assessing risk, the most appropriate consequence descriptor or combination of descriptors to determine the consequence rating will be selected.

Risk Treatment Options

In preparing the Risk Register, the following treatment options will be considered:

1. Avoid the Risk
 - Do not proceed with the activity likely to generate the risk
2. Reduce the Likelihood of the occurrence
 - Documented policies and procedures;
 - Structured training and induction programmes;
 - Effective supervision processes;
 - Effective monitoring, review, audit and compliance procedures
3. Reduce the consequences of the occurrence
 - Appropriate qualifications;
 - Documented emergency/incident management procedures
4. Transfer the risk
 - Outsource the activity to a third party;
 - Seek legal or other external advice;
 - Insurance
5. Retain the risk following cost/benefit analysis

Risk Reporting Protocol

Risk reporting allows Rockhampton Girls Grammar School to manage and monitor key risks at all levels of the organisation. It represents how risk management is communicated and helps ensure that the appropriate people receive timely risk information to make informed decisions and take appropriate risk management actions.

Overview

	Strategic Risks	Operational Risks	Responsible to
School Board	<ul style="list-style-type: none"> - Ensure that the strategic risk profile is reviewed annually - Establish, implement and monitor the budget and objectives - Review and approve risk information from Audit & Risk Committee - Oversight of all strategic risks – implementation, monitoring, review and approval - Review annually and monitor adherence to the Risk Management policy 	<ul style="list-style-type: none"> - Oversight of all operational risks through the Principal and Executive Management Team 	
Audit and Risk Committee	<ul style="list-style-type: none"> - Oversight of all strategic risks – implementation, monitoring, review and approval - Review annually and monitor adherence to the Risk Management policy 	<ul style="list-style-type: none"> - Oversight of all operational risks through the Principal and Executive Management Team 	<ul style="list-style-type: none"> - Report to School Board quarterly on all operational and strategic risks with a high or very high risk rating
Principal	<ul style="list-style-type: none"> - Action plans and management responsibility allocated for all high and very high risk areas 	<ul style="list-style-type: none"> - Ensure all risk owners, staff, students and volunteers adhere to the Risk Management policy 	<ul style="list-style-type: none"> - Report to Audit and Risk Committee on changes to strategic and operational risk areas quarterly and on any new, changed or re-rated risk as needed
Executive Management Team	<ul style="list-style-type: none"> - Action plans and management responsibility allocated for all high and very high risk areas 	<ul style="list-style-type: none"> - Responsible for identification, monitoring and reporting of all operational risks 	<ul style="list-style-type: none"> - Report to Audit and Risk Committee via Principal on changes to strategic and operational risk areas quarterly and on any new, changed or re-rated risk as needed
Risk Owners	<ul style="list-style-type: none"> - Responsible for identification, monitoring, review and reporting on specific strategic risk area 	<ul style="list-style-type: none"> - Responsible for identification, monitoring, review and reporting on specific risk area 	<ul style="list-style-type: none"> - Report to Executive Management Team quarterly; Report on any new, changed or re-rated risk as needed

Strategic Risk Assessment and Reporting

Risk registers are maintained by the school to identify, rate and monitor risk. A strategic risk register sets out identified strategic risks within the whole of school context. These risks underpin organisational strategy and are reviewed by the Audit and Risk Committee on a quarterly basis.

The Board is active in monitoring the effectiveness of the controls to ensure that the residual risk remains within prudent limits Appendix A outlines the standard reporting for strategic risk.

Operational Risk Assessment and Reporting

The Executive Management Team, as risk owners, is responsible for identification, monitoring and reporting on operational risks. Each business area will identify, document, monitor and report on operational risks. The Risk Register is the on-going register for operational risks.

Operational Risk Documentation

Each Risk Owner conducts a risk management review which is documented on its:

- Risk Register; and
- Risk Treatment Action Plan.

The Risk Register provides information on the identified risks, including material risks, of the school. The Risk Owner for each risk area is responsible for development of a Risk Register and Risk Treatment Action Plan which follows the risk identification and evaluation methods set out in this Framework. The School Business Manager will maintain the risk management documentation on behalf of the Audit and Risk Committee which oversees the operational risks management at Rockhampton Girls Grammar School. The Audit and Risk Committee is active in monitoring the effectiveness of the controls to ensure that the residual risk remains within prudent limits.

Operational Risk Monitoring and Review

The Principal and the Executive Management Team via the Principal shall report, on their respective delegated areas of responsibility, to the Audit and Risk Committee on a quarterly basis, but additionally at any other time when there is a significant change in the school's risk exposure. The reports will provide details on:

- The status of risks and risk treatments with an inherent risk rating of high or extreme in the risk register; and
- Any additional action required.

High risks will be monitored by the Principal and/or the School Business Manager. Very high risks will be managed by the Principal on an ongoing basis and will be monitored closely by the Board through the Audit and Risk Committee. Where any risk is rated "high" or "very high" a comprehensive risk treatment plan is to be in place. Any worsening of the risk is to be immediately reported to the Board through the Chair.

Appendices

- Appendix A – Reporting Strategic Risk

POLICY RELEASE DETAILS

Date of Policy	Updated 2015
Approved by	December 2015
Review Date	As required
Access	T:\01.ADMINISTRATION\School Policies\Current

RELATED POLICIES AND DOCUMENTS

Risk Register

Board of Trustees of Rockhampton Girls Grammar School *trading as*
Rockhampton Girls Grammar School
CRICOS Provider No: 00508E

