

RISK MANAGEMENT STRATEGY

INTRODUCTION

The purpose of this document is to outline a Risk Management Strategy which facilitates the effective recognition and management of risks facing TaylorITEX CIC.

Risk Management is embedded in the daily operation of TaylorITEX from strategy formulation through to business planning and processes. Through understanding risks, decision-makers are better able to evaluate the impact of a particular decision or action on the achievement of TaylorITEX's objectives.

Risk Management Strategy does not focus on risk avoidance, but on identification and management of an acceptable level of risk.

Responsibility rests with the Directors of TaylorITEX CIC, with the responsibility for implementation shared by all members of the team.

Objectives

1. To develop a risk map which will identify and rank all significant risks facing TaylorITEX and assist in the achievement of the company strategy through pro-active risk management.
2. Clear roles, responsibilities and accountabilities for risk management will be allocated.
3. To raise awareness of the principles and benefits involved in the Risk Management process and to ensure that the team are committed to the principles of risk control.

ASSESSMENT AND REVIEW

Risk Management involves 4 key stages:-

- Identification
- Evaluation
- Mitigation
- Review

Identification:

Risks can be categorised as strategic, financial or operational

Identification of potentially significant risk elements may fall into the following categories:-

- Reputation
- Learner experience
- Staffing issues
- Buildings and facilities
- Financial issues
- Organisational issues
- Technology

EVALUATION

Tools can be used to assist in identifying potential risks:

- Workshops
- Analysis of past occurrences
- Health and safety inspections
- Performance Reviews
- Staff feedback
- Learner feedback

Once identified areas of potential risk need further analysis by:

- Assessment of impact
- Assessment of likelihood

Impact can be categorised:

High Major effect on the company, possibly resulting in financial loss or major disruption to operation.

Medium Noticeable effect on the company which could result in significant financial losses and a degree of disruption.

Low Not such severe consequences, as losses and financial implications are lower, with little or no disruption

Likelihood:

High Very likely to occur

Medium Could happen infrequently and be difficult to predict

Low Most unlikely to happen

MITIGATION

A risk matrix will be compiled to enable risks to be prioritised using one of more of the four T's:

Tolerate accept the risk

Treat take cost effective actions to reduce the risk

Transfer empower someone else to take the risk (eg by insurance or requesting a contractor to undertake remedial action)

Terminate accept that the risk is too high and to cease that activity

REVIEW

For effective Risk Management it is necessary to compile a reporting and review structure to ensure that all risks are identified effectively, are assessed and that appropriate actions are taken. Regular reviews need to be carried out which provide assurance that appropriate controls are in place and that procedures are comprehensible and undertaken.



The Directors have the responsibility to:

- Ensure that agreed control measures are applied
- Check if any changes in circumstance become a new risk
- Review all risk assessments on an annual basis as a minimum

ACTION PLAN

Steps in Risk Assessment

Identify the business activity

Specify the business objective

Identify the threats to the business objective

Identify the likelihood and the severity that the risk applies

Identify risk control measures

Reassess the level of risk remaining after the control measures are prepared

RISK REGISTER

The Directors of TaylorITEX CIC will keep a register of the significant risks that may affect the ability of the company to achieve the business objectives and the necessary control measures that are implemented to deal with them.

ROLES and RESPONSIBILITIES

The Directors of TaylorITEX CIC have accountability and responsibility for the Risk Management for the company. The staff team have the day to day responsibility to ensure that their role is carried out within risk management guidelines, which includes compliance with all control measures that have been identified.

PLANNING

When TaylorITEX CIC commissions an external company, or person, to carry out a service, risk management needs to be identified to ensure full compliance. External bodies are required to confirm evidence of their approach to risk management.

BUSINESS CONTINUITY

Business continuity needs to be planned and is documented in the TaylorITEX CIC Business Continuity Plan. Risks identified need to be included in the business continuity planning cycle.

This Strategy will be reviewed annually

Signed: 

Date: 28 July 2021

End

Risk Assessment Matrix

↑ HIGH ↓ MEDIUM ↓ LOW	4 Low Impact Medium Likelihood TOLERATE or TREAT	7 Medium Impact High Likelihood TREAT or TRANSFR	9 High Impact High Likelihood TREAT, TRANSFER or TERMINATE
	2 Low Impact Medium Likelihood TOLERATE or TREAT	5 Medium Impact Medium Likelihood TREAT or TRANSFR	8 High Impact Medium Likelihood TREAT, TRANSFER or TERMINATE
	1 Low Impact Low Likelihood TOLERATE	3 Medium Impact Low Likelihood TOLERATE or TREAT	6 High Impact Low Likelihood TREAT or Transfer
	LOW	MEDIUM	HIGH
	← Impact on the Business →		

NOTES

Key Points Over the Page



HIGH

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9

MEDIUM

- 1
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LOW

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