

Risk Management Report

Risks can be defined as anything which threaten the achievement of an organisation's objectives.

Risk management is the way in which an organisation anticipates occurrences which could threaten the achievement of its corporate objectives and plans to counteract that threat. Robust risk management should ensure that:

- objectives are more likely to be achieved;
- bad things will not happen or are less likely to happen; and
- good things will be or are more likely to be achieved.

Risk Management is not a process for avoiding risk. When used well, risk management can actively encourage an organisation to take on activities which have a higher level of risk, because the risks have been identified and are being well managed, so the exposure to risk is both understood and acceptable.

CCEA has a Council and DE approved risk management strategy and framework which is subject to continued review by the Council, Audit and Risk Committee and our internal auditors. The framework is based on DE's risk management framework which is regarded as a best practice exemplar in the public sector.

CCEA's risk management framework is a three-tiered system with risks identified at corporate, business and operational (including project) levels and is subject to regular review, reporting, assurance and challenge.

Review of risks includes consideration of risk appetite thresholds to identify risks where the rating suggests that the risk would benefit from escalation for discussion at a higher tier of management.

CCEA's risk management system is managed through development, maintenance and communication of a framework which encompasses a risk management policy, process manual and an ISO 9001 risk management procedure, a number of contingency plans and tiered risk registers.

The process of reviewing and managing risk has been integrated into the everyday workings of CCEA's main business. The risk management process includes:

- regular meetings with all risk owners in support of stewardship reporting exercises;
- advice and guidance in relation to areas of concern where risks have or nearly have materialised;
- evaluation of risk ratings and mitigation measures;
- identification of risks for new areas of work; and
- identification of the potential for fraud and appropriate mitigation to address the risk of fraud.

The Audit and Risk Committee which meets on at least a quarterly basis is responsible for overseeing CCEA's risk and governance arrangements on behalf of the Council.

Risk Management is a standing item on the committee's agenda and the corporate risk register is reported after each review.

CCEA's corporate risk register is provided to our sponsoring department (DE) at each review and feedback from DE on our risks is incorporated into the register.

Risk Appetite

CCEA's core business is to provide services in curriculum, qualifications and assessment which are critical to young people and which contribute to Northern Ireland's societal and economic needs. In this context, CCEA is cautious by nature particularly in relation to qualifications and assessment. We therefore strive to ensure that our risk management strategy is robust. We promote a no-fail culture and have identified zero defects as a quality objective for all staff.

Risk Appetite in CCEA mirrors that of DE as our sponsoring department with a varied approach to risk tolerance depending on the nature of the risk. To encourage innovation and exploit opportunities, risks associated with development of products and services attracts an open appetite however in areas such as health and safety and compliance with legislation CCEA has established a more cautious approach to risk.

Where the risk rating increases to a level beyond what is acceptable in terms of appetite for that type of risk, the risk is escalated and either additional controls put in place or consideration given to ceasing the related activity.

Management of information risks

CCEA has a range of documented policies, procedures and guidance in place for management of information. These are supported by practices which generally operate effectively. CCEA also has a dedicated Information Officer.

CCEA monitors the management of information risks through stewardship reporting and through the assessment process for completion of the quarterly assurance reports for DE.

CCEA has a number of other contingency plans to manage risks to information arising from major events, for example, loss of the CCEA building or breach of confidentiality. CCEA is also accredited to ISO 27001 which is an international information security management standard.

Stakeholders

There are internal and external stakeholders of the Risk Management process in CCEA.

Internally all staff, the Audit and Risk Committee and Council are stakeholders. They all contribute to and benefit from a robust and effective risk management system. Externally the main stakeholders are the Department of Education, Schools and Colleges, Students, Parents, Teachers, ELBs, Internal Audit, NIAO, Employers and the public.

All the stakeholders associated with CCEA's core business and work in education are also stakeholders of its risk management system. They all benefit from the achievement of CCEA's objectives as detailed in the Corporate and Operational plans, and this is itself dependant on the operation of a living and effective risk management system.

Each year CCEA undergoes a review of its risk management arrangements. This is undertaken by our outsourced internal audit function. CCEA has been assessed as having a satisfactory level of assurance in risk management.