Business Assurance
Risk Management Policy

1. Introduction

CCEA is committed to the management of risk as an integral part of good management practice. It represents a core business planning process. The Chief Executive, as the Accounting Officer, has developed a system of risk management which has been endorsed by the Audit and Risk Assurance Committee (ARAC) and the CCEA Council. This system is aligned with the Department of Education's risk management framework and an annual Risk Register alignment and quality assurance exercise is carried out by the Department of Education (DE). As the management of risk is a dynamic process the system will be subject to regular review and refinement. The management of risk within CCEA is also consistent with guidance issued by the Northern Ireland Audit Office: Good Practice in Risk Management (2011).

CCEA's risk management system is defined as: *The way in which CCEA anticipates and counteracts any occurrences that could threaten the achievement of its corporate objectives*. It is founded on the principles of simplicity, transparency, accountability and improvement and is designed to target key risks and activities.

CCEA's Chief Executive and the Council rely on the risk management system to identify risks and to reduce the likelihood of a risk occurring or to minimise its impact if it should occur. In reviewing the effectiveness of risk mitigation measures, full account is taken of the cost-effectiveness and appropriateness of existing or proposed measures.

2. Roles and Responsibilities

The following roles and responsibilities operate within the CCEA Risk Management System.

Chief Executive/Accounting Officer

The Chief Executive/Accounting Officer will ensure that CCEA's Risk Management System operates effectively by;
- ensuring that a system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and targets;
- ensuring commitment to the risk management process internally;
- regularly reviewing the Corporate Risk Register;
- ensuring an effective system of monitoring and reporting of the Risk Management System is in operation; and
- ensuring that there is appropriate ownership of risks throughout the Risk Management System.

Audit and Risk Assurance Committee (ARAC)

ARAC will;
- provide an assurance and challenge function in respect of the CCEA Risk Management System; and
- regularly review the effectiveness of CCEA's Risk Management System, the Corporate Risk Register, CCEA's key risks and any independent sources of scrutiny (such as Internal or External Audit reports regarding risk management in CCEA).

Directors/ Business Managers

Directors & Business Managers are responsible for;
- developing and maintaining Operational Risk Registers within their business area;
- ensuring that risks within Operational Risk Registers are effectively managed; and
- reporting (through Business Assurance) any significant changes and/or residual red risks contained within their Operational Risk Register to the Chief Executive.

Business Assurance

Business Assurance will;
- manage all aspects of the Risk Management System as directed by the Chief Executive/Accounting Officer including assisting in the development and review of Risk Registers, reporting risks as appropriate and providing advice and guidance as required.
- assist in the preparation of governance statements; and
- ensure that Risk Management policies and procedures are fit for purpose.

Internal Audit

The Internal Auditors will;
- review the CCEA Risk Management System as part of the Internal Audit Plan; and
- regularly review CCEA's key risks and the management of key risks as agreed with management and ARAC when developing and reviewing the Internal Audit Plan.

Department of Education

The Department of Education will;
- monitor and review CCEA's Risk Management System at ARAC, Governance and Accountability Review meetings and the annual Risk Register alignment and quality assurance exercise, for example.

All Staff

All staff are responsible for ensuring that they are aware of the CCEA Risk Management arrangements, their Operational Risk Register and how they contribute to the management of risks within their team/function, as appropriate.

3. The CCEA Risk Management System

CCEA's Risk Management System operates as follows.

Corporate Risks

CCEA has a Corporate Risk Register. This Corporate Risk Register is reviewed regularly by Executive Team (at least quarterly) and is reported to ARAC as a Standing Agenda Item at each ARAC meeting. It is also shared and discussed with the Department of Education regularly. The Corporate Risk Register will normally have between 6 and 10 overarching corporate risks and contains information on the Root Causes of Risk, the Consequences of Risks and Actions to Mitigate Risks which are time bound and reviewed regularly to ensure they are being effectively managed/implemented.

Sub-Corporate/Operational Risks

Directors and Business Managers are responsible for developing and maintaining Operational Risk Registers which address the organisational risks at an operational level. Operational Risk Registers are reviewed regularly (at least quarterly) to ensure that all sub-corporate risks are managed effectively.

Process to Ensure a Joined-Up Risk Management System

On a quarterly basis, Business Assurance review the Operational Risk Registers with Directors and Business Managers and report to the Chief Executive on residual Red Risks which exist at a sub-corporate level. This informs the Chief Executive of risks and to consider in the context of the Corporate Risk register. The Chief Executive also receive reports on any significant changes to the risk profiles and/or risk scores in Operational Risk Registers.

Monitoring/Reporting and Review of Risk Arrangements

Directors and Business Managers are responsible for regularly reviewing the Corporate Risk Register. The Corporate Risk Register is a Standing Agenda Item at all ARAC meetings. CCEA's management of risk is subject to formal reporting in the mid and end year Governance Statements which are required by the

Department of Education and in the case of the End Year Governance Statement, published in the CCEA Annual Report and Accounts.

4.   Relevant documentation

This policy should be read in conjunction with the following documents;

- CCEA Risk Management Overview Procedure (OP/0029/19).
- Northern Ireland Audit Office : Good Practice in Risk Management (2011).
- Department of Education Risk Management Framework (January 2019).
- The Orange Book : Management of Risk – Principles and Concepts (HM Treasury 2004).

Version Control

Version	Responsible	Date	Notes
1.0	2014 Policy	1/2/2019	Existing Policy Review
1.1	D Wilson	30/7/2019	Updating consistent with Risk Management Overview Procedure
1.2	D Wilson	11/9/2019	Updating consistent with the NIAO Good Practice Guide.