

Guidance for the Completion of Departmental Risk Registers, 2018-19

Overview

Risk management is taking place in departments all of the time: from high-level strategic discussion at management level, to the implementation of day-to-day operational processes. In order to provide the University, its governing body (Council) and its funders with assurance that risk is being managed appropriately, it is important for departments to be able to demonstrate that risk registers are 'live' documents which are reviewed and updated (if appropriate) at regular intervals throughout the year.

A departmental risk register should identify the most significant risks that pose a threat to the department meeting its strategic objectives. This means that a risk register could contain relevant risks with targeted control measures. A document which contains too many minor risks, or too much fine detail, is unlikely to be monitored and updated effectively.

Departmental risk registers should be updated and monitored on a regular basis, and will be considered annually by the relevant governing body:

- For academic departments ARC will consider the risk register alongside all other annual planning documents.
- Professional Services risks are considered by APSG.
- Commercial risk registers are considered by CCSG.

In the event that any significant strategic risks are identified outside of the annual planning process this should be communicated to the Institutional Resilience Team (via risk.management@warwick.ac.uk) who will facilitate escalation to institutional level, if necessary.

Where a department identifies a significant operational risk that needs to be escalated to institutional level, this can be referred for potential discussion at the Operational Risk Management Group by contacting risk.management@warwick.ac.uk.

This document is intended to provide step-by-step guidance for the identification, assessment and management of risks.

Contact the Institutional Resilience Team if you require any advice. They will be happy to help whether it's just a quick question or a request for more bespoke support.

Step 1: Identify and articulate the risk.

Make sure that what you are identifying is actually a 'risk'

A 'risk' is: something that *might* happen which, if it occurred, could prevent the department from fulfilling its strategic objectives.

A risk is not: something that *has* happened or something that *definitely will* happen or is *already* happening (this is an 'issue').

Cause and Consequence

Once you have identified the risk, it is helpful to use the 'If [cause].... Then [consequence]...' approach when describing the risk to ensure that it remains clearly aligned to an objective.

Step 2: Identify the factors which could cause the risk to occur.

Contributing factors can be both internal and external.

- They can be hypothetical; even if a contributing factor is unlikely to materialise, if there would be a notable impact on the department should it occur, it's probably worth including.
- Be brief – try and keep each factor down to one bullet point. The risk register should include the headlines, not the detail.

Step 3: Assess and score the initial risk.

The initial risk status is what the risk status would be if there were absolutely no controls in place to prevent the risk from occurring (likelihood) and/or to mitigate the effect on the department if it did occur (impact).

Step 4: Identify the mitigating actions (controls) currently in place within the department to mitigate the risk.

Mitigating actions are activities that the department is already undertaking (or planning to undertake, see step 6) to prevent the risk from occurring and/or to mitigate the impact if it does occur.

- Don't worry too much about aligning the mitigating actions against a specific contributing factor. In many cases, a mitigating measure will address more than one factor and you will end up having to duplicate information and/or leave large gaps.
- Be brief – try and keep each action down to one bullet point. This will make updating the register a much less onerous task!

Step 5: Re-assess the status of the risk to determine the current (post-control) risk status.

This is the status of the risk at the present time, taking account of the mitigating actions identified in step 4.

- The overall risk status should have reduced (even if either the likelihood or the impact score remains the same). If it hasn't, this would suggest that the mitigating measures are not effective and you will need to give consideration as to why this is.
- Neither the likelihood nor the impact score should have increased.

Step 6: Outline any further mitigating actions that the department intends to take to mitigate the risk.

Planned further mitigating actions should generally not be dependent on the allocation of further resource.

- In the event that there are actions which the department would *like* to take, but which cannot be initiated without the allocation of further resource consideration should be made to making a formal request for resource.
- Planned further actions can include work that is currently underway, but is not yet actively reducing the risk (see Step 4).
- In the event that there are new actions which the department feels should be taken at University/Faculty level (e.g. where a risk crosses departmental boundaries, or responsibility for the action is outwith the remit of departmental management), again this should be clearly indicated.
- It may be the case that the department does not intend to take any further actions. This is not a problem as long as it is made clear that the current risk status is acceptable to the departmental managers (in risk-management parlance, this is referred to as ‘tolerating’ the risk). In the event that there are no further actions planned, but the department is not content with the current risk status, this should be clearly indicated on the risk register to enable the University to advise on the matters raised.
- Remember to remove any completed further actions from this column. Depending on the nature of the respective action, you may be able to add it as a current mitigating action.

Step 7: Re-assess the status of the risk to determine the ‘net’ (anticipated) risk status.

The ‘net’ risk is the anticipated status of the risk after the planned further actions identified in step 6 have been completed.

- The overall risk status should have reduced further (even if either the likelihood OR the impact score remains the same as those relating to the current risk status). If it hasn’t, this would suggest that the department believes that the planned future actions will not reduce the risk beyond its current state.
 - This is not a problem as long as the department makes clear that it is content to tolerate the risk (see step 6 above).
 - The most likely scenario in which this would be the case is if the department is doing/plans to do everything possible to prevent the risk occurring, but the impact if it did occur is very difficult to mitigate.
 - In the event that the department is not happy to tolerate the net risk status, this should be clearly indicated on the risk register to enable the University to advise on the matters raised.
- Neither the likelihood nor the impact score should have increased from the current status.

Step 8: Set the target date for achievement of the net risk status.

Each action is likely to have its own timescale for completion. The target date for the achievement of the overall net risk status should reflect the longest such timescale.

- You don't need to give a precise date: month/year or term/year is fine, but try to avoid vague terms such as 'ongoing'. This makes it more difficult to measure progress against the actions.
- Don't provide an unrealistic date for the completion of actions. Actions should be measurable and achievable to ensure progress can be made to lower the net risk.
- If there are no planned further actions, just enter 'N/A'.

Step 9: Assign a 'risk owner' and an 'action owner'.

The 'risk owner' is the colleague with overall accountability for the management of the risk. In the majority of cases, this will be the Head of Department/Centre Director.

- The 'action owner' is the colleague with the day-to-day responsibility for managing the risk, ensuring that the mitigating actions (both current and planned) are being carried out effectively. Whilst the action owner may not have direct responsibility for some (or even all) of the mitigating actions, it is their duty to consult with the relevant colleagues when drafting or reviewing the risk.
- It is essential that the risk owner (and the action owner if this is not yourself) are aware of their responsibilities in this regard.

Step 10: Sign-off.

Repeat the above steps for each departmental risk. Once the risk register is complete, ensure that all risk owners (and action managers if not yourself) have reviewed it and are happy for that it is an accurate record of your department's current risk profile.

Example

Risk Description	Contributing Factors	Risk Owner	Initial Risk			Mitigating Action (active)	Action Owner	Current/Post Control Risk			Future Mitigating Action (planned)	Anticipated Net Risk			Target Date
			Likelihood	Impact	Initial Risk Score			Likelihood	Impact	Current Risk Score		Likelihood	Impact	Net Risk Score	
<p>If the department does not recruit and retain the highest calibre academic and research staff, then the department's REF position and reputation will decline and the quality of teaching and research will diminish.</p>	<p>Lack of development and progression opportunities for academic staff.</p> <ul style="list-style-type: none"> - Inadequate and/or poor quality teaching, research and office space. - Highly competitive job market. - Ongoing uncertainty of the impact of Brexit makes it increasingly difficult to recruit non-UK EU staff. 	Job Title	4	5		<ul style="list-style-type: none"> - Provision made for staff to undertake professional development training. - PDR process assists with identifying career aspirations and development needs. - Attractive pay and reward package. 	Job Title	3	4		<ul style="list-style-type: none"> - Establish a workload planning model to ensure fair distribution of tasks across the department. - Major refurbishment of building X required, and the department has secured funding of £Yk for this work. Our teaching /learning and administration are extremely dated compared to those of our competitors, thus it is anticipated that such investment will reduce the overall risk status to green. 	1	4		Dec-2020