

CMI Risk Management Policy and Procedure

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History

Date	Amendments made
September 2021 V08	SQA principles update Policy name amendment from 'CMI Risk Management Procedure to 'CMI Risk Management Policy and Procedure'
November 2020 V07	Additional risk management guidance added.

Distribution

Distribution List

- All Quality Managers
- All Lead Moderators
- New Partner Relationship Manager
- Customer Service team
- Assessment and Support Coordinator
- HE Partnership Support Executive
- Digital Delivery
- Quality Auditor
- CMI Centres
- This policy will be published on the CMI website

Purpose

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This Policy sets out guidance of how to identify a risk and the procedure to follow.

Introduction

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CMI is committed to maintaining rigorous quality standards and ensuring that it complies with regulatory requirements and best practice. CMI manages this commitment through continual risk assessment and takes all reasonable steps to prevent incidents occurring and to prevent any adverse effect. CMI endeavours to adhere to the following:

General Condition A6 Identification and management of risks

Identifying risks

A6.1 An awarding organisation must take all reasonable steps to identify the risk of the occurrence of any incident which could have an Adverse Effect.

Preventing incidents or mitigating their effect

A6.2 Where such a risk is identified, the awarding organisation must take all reasonable steps to:

- (a) prevent the incident from occurring or, where it cannot be prevented, reduce the risk of that incident occurring as far as is possible, and
- (b) prevent any Adverse Effect that the incident could have were it to occur or, where it cannot be prevented, mitigate that Adverse Effect as far as possible.

A6.3 An awarding organisation must establish and maintain, and at all times comply with, an up to date written contingency plan.

A6.4 A contingency plan must be of sufficient detail and quality to allow the awarding organisation to mitigate, as far as possible, the Adverse Effect of any incident which has been identified by the awarding organisation as having a risk of occurring.

The Policy also meets the requirements of the SQA Accreditation Regulatory Principles (2021):

Principle 2. The awarding body must demonstrate clearly defined business planning processes which show evidence of management commitment and decision making and ongoing review

Principle 4. The awarding body must demonstrate an effective approach to the identification and management of risk

The awarding body is responsible for demonstrating:

- how business risk is identified, managed and mitigated
- business resilience, and how operations would continue if an incident impacting the operating environment were to occur
- the management and recording of reportable incidents
- how incidents and lessons learned are reviewed
- contingency planning in the event of unexpected circumstances
- succession planning and how to ensure core staff and associated skills are retained and/or replaced

Where an awarding body becomes aware of any situation or incident that could negatively impact its accredited provision, including seeking to amend or withdraw qualifications, it must ensure that it puts in place a strategy which protects the interests of any learners and providers, and communicates its intentions to SQA Accreditation at the earliest opportunity.

Principle 6. The awarding body must continually review the effectiveness of its services, systems, policies and processes.

Definition

Definition of a Risk

Uncertainty of outcome or likelihood of detrimental outcome, within a range of exposures arising from a combination of the impacts and the probability of potential event.

Risks are defined in these categories:

- Legislative
- Regulatory
- Business
- Economic
- Operational

Scope

Scope

This policy applies to all CMI Awarding Body Staff and Quality Assurance Team.

CMI Risk Management Procedure

Risk Management Procedure

CMI takes all responsible steps to identify, monitor and mitigate against any risks that could have an Adverse Effect on CMI Qualifications our regulatory obligations and good practice. However, CMI recognises from time to time incidents could occur that have not been foreseen and this policy and procedure has been developed to identify the potential risks and to manage them in an effective manner, to safeguard CMI Learners and CMI qualifications.

CMI procedure for risk will involve the following actions:

1. Identification of a risk
2. The risk is reported to the appropriate person
3. Risk analysis
4. Intervention and action where appropriate
5. Risk monitoring and review
6. Communication and reporting

Identification of a Risk

There are various methods that can be used to identify risks, such as:

- Business risks (financial checking tools) and fraud risks (identified through financial sanction or information in the public domain)
- Typical risks in stages of the Centre Approval process
- Scenario planning as a risk assessment tool
- Risks identified during customer service activities and conversations, including formal Appeals and Complaints
- Process mapping
- CMI Centre visit reports, external quality reports (e.g., QAA, EFSA, Office for Students, Ofsted, Ofqual) and Centre audit reports

The risk alerted to the appropriate person

If you identify a risk it needs to be raised with the appropriate person in the first instance by informing:-

- Quality Manager and then as follows:
- Operational incident – Head of Awarding Body and Compliance
- Financial incident - Head of Financial Control
- Qualification incident – Qualifications & Assessment Coordinator
- Quality Assurance – Quality Manager or Quality Auditor
- Overseas incident – Head of Awarding Body and Compliance

Risks are captured on the Awarding Body Risk Register, and controls are agreed and reviewed at the monthly Quality Manager Meetings. Quality Managers are also required to review the Risk Register when completing their quarterly reports.

Risk analysis

The Head of Awarding Body and Compliance and the Quality Managers/Auditor meet on a monthly basis, there is a standard agenda item to analyse risks that have been identified during that month.

Risk analysis involves the consideration of the source of risk, the impact/consequence and likelihood to estimate the inherent or unprotected risk without controls in place. It also involves identification of the controls, an estimation of their effectiveness and the resultant level of risk with controls in place (the protected, residual or controlled risk).

Applying the risk matrix, it is required to define for each risk its profile using likelihood and consequences criteria.

CMI risk Matrix is as shown below.

		Impact/Consequence		
		Minor	Medium	Major
Likelihood	Unlikely	Low	Low	Medium
	Possible	Low	Medium	Medium
	Very possible	Medium	Medium	High
	Almost certain	Medium	High	High

Likelihood	
Unlikely	Very unlikely to occur - less than 5% chance of occurrence in any one year
Possible	Likely to occur in the medium term - 5-25% chance of occurrence in any one year
Very Possible	Likely to occur in the shorter term - 26-50% chance of occurrence in any one year
Almost certain	Almost certain to occur, could happen now - 51-100% chance of occurrence in any one year

Impact/Consequence	
Minor	Minor delay, inconvenience or impact. Very short term effect. No media interest or reputational damage
Medium	Significant impact on customer service and/or on operational function. Medium term effect with possible trade and local press interest
Major	Major impact on customer service and/or on operational function. Reputational damage, mid to long term effect. National and international media attention

Using the consequence criteria provided in the risk matrix, CMI will determine the consequences of the event occurring (with and without controls in place).

To determine the likelihood of the risk occurring, CMI will apply the likelihood criteria (again contained in the risk matrix). As before, the assessment is undertaken with and without current control activities.

To determine the level of each risk, CMI can again refer to the risk matrix. The risk level is identified by intersecting the likelihood and consequence levels on the risk matrix.

Intervention and Action where appropriate

The assessment and review will conclude on actions that will mitigate the risk and aim if possible, to resolve the issue completely. This could include direct action with the Centre/Learner requiring specific actions to be taken and sanctions to be applied if appropriate. CMI policy and procedures will also be reviewed and any appropriate change that might mitigate the risk be made.

Should the risk be assessed to be high and the action to mitigate does not reduce this, then the matter will be escalated to the Director of Partner Engagement or to the Chief Executive – the senior/responsible officers.

Risk monitoring and review

The Head of Awarding Body and Compliance and the Quality Managers/Auditor meet on a monthly basis. A standard agenda item is to monitor and review the current risks that are documented on the Risk Register. The quality team will review the following:

- If the risk is still relevant (using the CMI risk Matrix)
- The consequences are valid
- If the controls in place are effective
- The risk owner
- The control owner

If a new risk is identified then that risk will be added to the risk register by the Head of Awarding Body and Compliance/ SQMs and a log of the details recorded.

Communication and reporting Risk

Management is an integral element of the CMI organisation. At a strategic level there is a corporate risk register reviewed by the Board of Trustees. Operational risks for the Awarding Body are highlighted via the Regulatory and Compliance Committee (RCC) on a quarterly basis and any risks escalated by the CMI Director who is a member of the RCC.

Reportable incidents are recorded on a log which is discussed at RCC. Lessons learned and improvements/future actions are also recorded.

The Awarding Body risk register is reviewed monthly by the Awarding Body team and shared with the Director. The Director will share this information with the CMI Executive team as and when required. The Regulatory Compliance Committee will also review the Risk Register each time that they meet. This ensures a shared understanding and ownership of the risks being managed in the organisation and allows wider input into their active management and mitigation.