



1. Objective

To develop a Risk Management Plan which identifies the process to identify, direct, manage, control and/or eliminate risk.

The National Vocational Education and Training Regulator Act 2011 place a major focus on Risk Assessment. Risk assessment will determine the level of Regulatory Intervention utilising a Risk Assessment Framework (NVETRA Act 2011, S190 pg129).

[**Note:** It is a recommendation that the RTO develop a Risk Management Framework designed to manage risk based on (AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines and ASQA’s Risk Assessment Framework) It is better to have a good idea of your risk level prior to receiving any surprises. Completion of a Risk Assessment in alignment with yearly Internal Audits will help determine the RTOs Risk Level and reduce risk whilst increasing level of compliance to the VET Quality Framework and quality of services to clients. The NVR will complete a Risk Assessment of all RTOs, the indicators they will use may include: Performance, Financial, Governance and Supplementary Risk Indicators which will determine the level of Regulatory Intervention, they will use a Risk Assessment Framework (refer to NVETRA Act 2011, S190) to assign a rating of the RTO: http://www.asqa.gov.au/verve/resources/Risk_assesment_framework_2012.pdf#search=Risk%20Assessment%20Framework if this link is broken, type ‘Risk Assessment Framework’ into the search box on ASQAs website.

2. Policy

ALATA must document and implement procedures to:

- a) Identify and manage risks concerned with compliance with the VET Quality Framework and Conditions of Registration for the RTO and
- b) Correct and prevent any failure to comply with the VET Quality Framework and Conditions of Registration for ALATA and the its quality system, policies & procedures

3. Requirement

The NVR RTO uses a systematic and continuous improvement approach to the management of Risk.

4. Scope

This policy applies to all persons employed by or contracted to ALATA and third parties delivering services on behalf of the ALATA.

5. Responsible parties

The CEO is responsible for the control and issue of this procedure (this may be delegated).

The CEO has delegated the responsibility of scheduling annual Risk Management Assessments and Internal Audits to the RTO Manager, the RTO Manager has direct access to the CEO.

6. Definitions

Risk is defined as ‘the effect of uncertainty on objectives’

In general terms, ‘risk management’ refers to the architecture (principles, framework and process) for managing risks effectively, and ‘managing risk’ refers to applying that architecture to particular risks, (refer to AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines).

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Developed By: Satya Indukuri	Authorized By: CEO	Version: 1.0
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7. Why do we have a Risk Management Framework?

- a) Helps to identify risks and mitigate their effect
- b) Achieve a comprehensive understanding of the business
- c) Create, maintain and protect value in the business
- d) Protect students, staff and continuity of the business
- e) Continuous Improvement from risk management perspective
- f) Meet and maintain quality and compliance to & above VET Quality Framework expectations
- g) To enable formal monitoring and review of risk
- h) Become LOW Risk Provider

8. From a VET Quality Framework context, Risk Management involves 4 steps:

- a) Identification: Identify Indicators of Risk
- b) Risk Assessment: Risk Potential and Impact
- c) Response: Assessment applications, Audits and Monitoring
- d) Ongoing Review: Audits, Monitoring Performance

9. The ALATA Risk Management Plan

- a) ALATA has written policies and procedures for ensuring quality training and assessment consistent with its scope of registration and scale of operations.
- b) ALATA complies with the VET Quality Framework and Conditions of Registration across all of its operations and in all of training/assessment activities, including those undertaken by other persons or bodies on its behalf.
- c) ALATA provides for examination of documentation and reasonable access to all areas, records and staff are required by the ALATA.
- d) ALATA has an organisational chart and duty statements or terms of reference that show the lines of authority in the organisation, the responsibility and allocation of functions.
- e) The CEO in conjunction with the RTO Manager, or an external consultant conducts a risk assessment analysis and an internal audit of its compliance with these standards and the policies and procedures at least annually.
- f) ALATA writes plans for its business that is consistent with its scope of registration and scale of operations. This plan is reviewed annually.

10. Risk Identification

The CEO is responsible for the identification and management of risks concerned with compliance with the VET Quality Framework and Conditions of Registration for ALATA's.

In assessing compliance risks we have defined 4 types of risk categories:

- a) Human Resources
- b) Documentation and Paperwork
- c) Policies and Procedures
- d) Property, Assets and Facilities

We then evaluate each of the instruments within the VET Quality Framework for compliance within each of these categories. After identifying a compliance risk we apply an appropriate compliance control to manage the risk.

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Data from the Risk Management Assessment Plan [sample provided] will then be transposed into the Risk Management Audit Report where the data will be collated and analysed. Where required, a corrective action will be created with a responsibility and date for completion. This will be managed and monitored for completion and signed off by the RTO Manager and CEO for closeout verification.

All compliance controls will be documented within our VET Quality Framework and Conditions of Registration Policy and Procedures Manual and will be referenced accordingly.

11. Procedure

- a) Develop a Risk Management Plan in consultation with staff
- b) Review the NVR Risk Assessment Framework
- c) Mandate risk management objectives in alignment with quality and compliance requirements
- d) Allocate appropriate resource for risk management and schedule periodic review for appropriateness
- e) Complete an Internal Audit annually of its compliance with the VET Quality Framework and Conditions of Registration
- f) Complete a Risk Assessment annually to:
 - a. Ensure the delivery of Training undertaken by the RTO is VET Quality Framework compliant
 - b. Identify indicators of risk, considering the potential impact (risk assessment)
 - c. Complete analysis, evaluation, treatment, monitor & control risk
 - d. Consider Key Risk Concerns and then detail the Potential Likelihood and Level of Impact
 - e. Refer to the Overall Risk Rating table (see NVR Risk Assessment Framework) to then categorise risk rating: Low, Medium, High or Extreme and take appropriate action
 - f. Ensuring that ALATA complies with the VET Quality Framework and Conditions of Registration for Registered Training Organisations across all of its operations and in all of its training/assessment activities, including those undertaken by other persons or bodies on its behalf and

12. To ensure that:

- a) Monitoring of policies and procedures to ensure quality training and assessment is consistent with scope of registration and scale of operations
- b) Embedding risk management into ALATA practices with the impetus that it must be effective, relevant and efficient
- c) Corrective action is implemented to prevent any failure to comply with the VET Quality Framework and Conditions of Registration and ALATA quality system, policies or procedures
- d) ALATA will develop and implement written procedures relating to continuous improvement of its systems
- e) ALATA's policies and procedures meet the requirements of Commonwealth or State/Territory legislation which are relevant to the ALATA operations
- f) The ALATA documents and implements procedures to assure the integrity, accuracy and currency of records

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- g) ALATA's policies and procedures include a requirement that it recognises the AQF Qualification and Statements of Attainment issued by any other RTO (Australian RTO)
- h) ALATA policies and procedures incorporate access and equity principles
- i) ALATA has developed and implemented written procedures for the recruitment, induction and ongoing development of each member of its staff who is involved in training, assessment or client service, and encourage and provide relevant opportunities for their professional development, and monitor their performance.
- j) ALATA has developed and implemented strategies for training delivery and assessment for each Training Package qualification and accredited training program within its scope of registration through effective consultation with industry
- k) ALATA complies with the Assessment Guidelines included in the applicable nationally endorsed Training Packages or the assessment requirements specified in accredited training programs
- l) ALATA accurately represents to prospective clients training products and services that lead to AQF Qualifications or Statements of Attainment and ensures that advertised outcomes are consistent with these qualifications
- m) Administration and Trainer/Assessors are employed in line with VET Quality Framework and Conditions of Registration requirements, Organisational Structure and Student numbers
- n) ALATA monitors its financial position formally on a monthly basis holding business review meetings with RTO Manager and Administrators
- o) ALATA is proactive in identifying and implementing other training programs that may attract funding from either Government or on a Fee for Service System
- p) ALATA will develop a working relationship with the training funding authorities in each state and territory
- q) ALATA will collate data to complete the Management Review Report half yearly.

13. Management Review Report

To ensure that ALATA continues to improve its services it systematically checks processes to actual outcomes, this is completed via a half yearly Management Review

Results from audits and reviews of feedback are analysed by CEO in collaboration with the RTO Manager and senior management with one member of the training staff to identify areas for improvement.

14. Corrective Action

A Corrective Action Record (Form CG) will be raised, monitored (status reports) and actioned, then filed in the Quality Compliance Folder for future reference.

The CEO and RTO Manager will have a monthly meeting regarding Corrective Actions – at this meeting the RTO Manager will go through 'open actions' and discuss the status report on each, actions that have been completed will also be discussed and closed via signoff by CEO. At this point in time the RTO Manager will then complete documentation and update the corrective action register.

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