PP26 – Risk Management and Mitigation Policy

1. Purpose

This policy ensures Austra College systematically identifies, manages, and mitigates risks to VET students, staff, and the organisation. It provides a structured framework for assessing operational, financial, and reputational risks and ensures compliance with the Standards for RTOs 2025 (Outcome Standard 4.3) and relevant provisions under the National Vocational Education and Training Regulator Act 2011, including Section 158 and Section 191A.

2. Scope

This policy applies to:

- All Austra College operations including training, assessment, student services, and governance.
- All staff, including management, trainers/assessors, and third-party providers.
- All risks to students (including minors), staff, data, finances, facilities, and compliance.

3. Definitions

Term	Definition
Risk	A potential event or condition that may negatively impact the organisation, students, or staff.
Risk Register	A living document listing all identified risks, their ratings, controls, and action plans.
Conflict of Interest (COI)	A situation where personal or financial interests interfere, or appear to interfere, with the impartial performance of duties.
FVRA	Financial Viability Risk Assessment – required annually under section 158 of the Act.
Financial Monitoring	Regular analysis of revenue, expenses, cash flow, and balance sheet health.

4. Legislative and Compliance References

- Standards for RTOs 2025 – Outcome Standard 4.3
- National Vocational Education and Training Regulator Act 2011 (sections 158, 185, 191A)
- Financial Viability Risk Assessment Requirements

5. Policy Statement

Austra College commits to:

- Proactively identifying and mitigating risks to students, staff, and the organisation.

- Maintaining financial viability and ensuring governing persons understand financial performance.
- Disclosing and managing conflicts of interest.
- Upholding the safety and wellbeing of underage VET students.
- Conducting reviews and updates to risk mitigation strategies.

6. Step-by-Step Procedure

Step	Action	Responsible Person
1	**Maintain Risk Register –** Create and regularly update a Risk Register capturing risks to students, staff, finances, compliance, and operations.	RTO Manager
2	**Conduct six month Risk Reviews –** Review all entries in the register using a risk matrix (likelihood x consequence). Update mitigation plans and assign responsibilities.	CEO/ RTO Manager
3	**Perform Annual Financial Review (FVRA) –** Use ASQA's FVRA tool to assess the organisation's financial viability. Address any risks to cash flow or sustainability.	CEO
4	**Monthly Financial Monitoring –** Review Profit & Loss, Cash Flow, and Balance Sheet reports monthly. Summarise insights for governing persons to support strategic decisions.	CEO
5	Conduct Conflict of Interest information during staff and third party induction. If any conflict of interst then ask to complete COI form and submit.	RTO Manager
6	**Escalate and Manage Conflicts –** Where a conflict of interest poses a risk, escalate to the CEO for review. Implement mitigation (e.g. withdrawal from decision-making).	RTO Manager
7	**Train Staff on Risk and COI –** Include training on risk awareness, financial compliance, and COI reporting during onboarding and annual refreshers.	RTO Manager
8	**Inform Governing Persons –** Provide governing persons with briefings on identified risks, financial position, and any changes in legislation affecting operations.	CEO

7. Conflict of Interest – Detailed Requirements

A Conflict of Interest (COI) exists when personal or financial interests conflict with professional duties.

Examples include:

- Assessing a relative or friend.
- Awarding procurement to a connected business.
- Having external investments that impact impartiality.

COI Management System:

- Induction Discussion: COI is explained during new staff induction.
- Ongoing Disclosure: Staff must report new COIs immediately.
- Escalation: RTO Manager assesses declarations, escalates unresolved issues to the CEO.
- Resolution: COI mitigation may include role adjustment or supervisor reassignment.
- Register Maintenance: All actions logged in the COI Register and linked to HR files.

8. Monitoring and Compliance

- Risk mitigation effectiveness is reviewed quarterly and logged in minutes.
- Financial reports are submitted monthly and analysed by the CEO.
- Conflict of Interest Register and declarations are reviewed annually.
- Continuous Improvement (CI) Register is updated for any risk-triggered changes.

9. Related Documents

- Risk Register
- Conflict of Interest Declaration Form
- Financial Reports (Monthly and Annual)
- ASQA Financial Viability Risk Assessment (FVRA)
- CI Register
- Third-Party Agreements (if risk assessed)

10. Flow Chart