



Risk Management Policy		Ref: G0018	
Brief Description:	The risk management policy outlines the approach and response to risks across the University. The policy allows the University to effectively identify, evaluate and monitor the risks faced and created by the University.		
Purpose:	Effectively identifying and assessing risk allows the University to better understand its risk profile and effectively target risk management resources whilst also satisfying OfS conditions of registration.		
Applicable to	Staff: All Staff	Students:	Third Parties:
Effective From:	March 2022	Review Due:	March 2025
Approval Authority:	University Executive Audit Committee	Approved:	March 2022
Executive Owner:	Georgina Bailes	Business Owner:	Kelly Oliver

1. Introduction

- 1.1. The University is committed to ensuring that it has a robust and comprehensive system of risk management which follows good practice whilst also satisfying the requirements of the Office for Students.
- 1.2. The University's risk policy provides a clear and consistent risk management methodology and approach which links to the University Strategy and annual planning process in a meaningful way. It summarises how risk management supports the University's planning activities at an early stage so that calculated risk can be taken to further its activities in given areas.

2. Risk Policy

- 2.1. Effective risk management enables the University to identify, assess and seize opportunities to support the delivery of its Strategy and improve its performance, whilst protecting the reputation and future sustainability of the University. Risk management operates across the University and is central to the achievement of strategic and business objectives as well as considered decision-making, whether at strategic, operational or project level. New delivery models and ways of working are vital steps in achieving the University Strategy, however, this requires careful assessment of risk and the provision of assurances to the University Executive and the Board of Governors.
- 2.2. This policy sets out the University's underlying approach to risk management and provides guidance on how staff are expected to assess and manage risk within all activities to ensure that informed decisions are made and that the University's activities are sustainable and compliant.
- 2.3. The policy forms part of the University's governance arrangements. This policy and associated risk appetite statement will be reviewed in line with the development of the new University Strategy which is expected to commence no earlier than March 2023 and will complete by end of July 2024

3. Roles and Responsibilities

- 3.1 All staff are responsible for managing risk, however risk owners are ultimately accountable for ensuring the risk is kept up to date and that controls in place to mitigate the risk are in place and working as expected. The table below sets out more detail on roles and responsibilities.

Role	Responsibility
Risk Owners	To strategically manage the risk(s) they own. Risks should be reviewed regularly, as should the risk score, to ensure it remains fit for purpose. The risk owner should also ensure the controls stated are still in place and working as expected (for the Strategic Risk Register, Risk Owners are members of University Executive)
Control Owners	To manage the specific control and ensure it is working correctly To work with risk owners to ensure the control is effective at mitigating the risk.
Faculty PVCs and Service Directors	To ensure risk is managed effectively within their area of responsibility. To ensure that the risk register for their area of responsibility is maintained and used to identify and mitigate or monitor risks. Where risks cannot be controlled this should be escalated for transparency. To monitor effectiveness of controls and make improvements when necessary.
Risk Manager	To ensure that the University has an effective approach to managing risks. To develop and maintain and promote the risk management policy and ensure it is kept up to date. To assist with the development & maintenance of risk registers and any systems that support risk management. To ensure any regulatory or other relevant changes are reflected in University policy and ways of working. To review and challenge the scoring of risks to drive consistence and transparency across the University. To co-ordinate where relevant a cross-University response to any serious incidents (in conjunction with the Resilience Manager where relevant). To provide support and guidance on risk management best practice when needed. To monitor the implementation and effectiveness of controls. To provide advice and training on risk management.

Head of Governance & Secretary to the Board	To support the Vice-Chancellor and Chief Executive and Board to discharge their role in relation to risk management. To ensure regular reporting on risk in order that UE and the Board understand the risks the University is exposed to. This will include reviewing the ongoing relevance and accuracy of the risks. To ensure the risk management policy is developed, communicated implemented and kept up to date.
University Executive	To take responsibility for the management of risks associated with the University Strategy, allocation of resources and compliance. To monitor and review effectiveness of the risk policy and the strategic risk register (including the relevance and scoring of strategic risks) To review, update, manage and mitigate strategic risks. To ensure risk management is embedded within the Faculties and Services.
Vice-Chancellor and Chief Executive	To perform an executive leadership role for the spectrum of risk management To report to OfS and other regulators as Accountable Officer any significant risks and serious incidents.
Audit Committee	To review the adequacy and effectiveness of the University's risk management, control and governance arrangements. To review the adequacy and effectiveness of the University's risk management policy and processes and provide assurance to the Board on the adequacy of these.
Strategic Performance Committee	To provide advice to the University Executive and Board of Governors in respect of any implications for the University's Strategic Risk Register arising from strategic performance considerations.
Board of Governors	To approve the establishment and monitoring of the University Risk Management Policy, including the development and maintenance of a strategic risk summary document.
Internal Audit	To review and audit the risk management strategy and process. To report on the effectiveness of the risk management strategy and process.

4. Terms/Definitions

4.1. The University uses the following definitions relating to risk and risk management:

- **Risk** is the threat or opportunity that an action or event will adversely or beneficially affect the University's ability to meet its objectives.
- **Risk Management** is the process by which risks are identified, assessed, and monitored in order to support considered decision-making
- **Risk Appetite** is the level of risk that the University is willing to pursue or retain.

4.2. Risks within a university setting can be as diverse as the threat of a global flu pandemic, a cyber breach or a missed opportunity to enhance our research excellence or student experience.

5. Benefits

5.1. Risk is inherent in all University activities and effectively identifying and assessing risk allows the University to better understand its risk profile and effectively manage risk.

5.2. Good risk management:

- Creates a culture of risk awareness and enables the discussion of risk
- Supports the strategic and business planning processes
- Supports better targeting and effective use of resources
- Gives rise to fewer shocks and unwelcome surprises
- Promotes continuous improvement
- Gives confidence to seize new opportunities
- Enhances communication and collaboration
- Provides reassurance for the Board of Governors, Audit Committee and other stakeholders that risk is adequately considered and controlled where possible.

6. Approach

6.1. The risk management process is set out in appendix 1. Further guidance will also be developed as part of the risk management framework.

6.2. Risk Registers will be held and visible at different levels:

Strategic Risk Register - University Executive will own and regularly review strategic risks that typically affect the whole University. Strategic risks will also feed into relevant University committees, for example, Academic Board (Education Committee, Research and Knowledge Exchange Committee).

Operational Risk Registers - Faculty and Services will carry out at least an annual review of risks as part of the planning process and in-year monitoring; Change and Project Managers will identify risks for transformational projects: e.g. capital, IT projects and major revenue / strategic projects. The frequency of review will vary depending on the project duration.

6.3. Strategic and operational risks will be identified/reviewed throughout the year and as a formal part of the five year and annual planning processes. Faculty Pro Vice-Chancellors and Service Directors will be encouraged to utilise their local/operational Risk Registers with their own senior management teams, to ensure a shared awareness of risks relating to their areas of responsibility, and how these relate to the University's Strategic Risks.

6.4. Risk Registers will be reviewed and updated by the relevant Management or Project Team to ensure key risks and mitigating controls are identified, any control improvement are identified and implemented on time and risks that no longer pose a threat are removed.

- 6.5. Alongside the review of risk as part of the annual plans, in-year monitoring of risk registers will identify:
- new and emerging risks;
 - where existing controls are not working as expected;
 - slippage in implementing control improvements;
 - areas where the risk has changed and therefore it needs to be revised based upon new regulation/information;
 - significant risks that have been realised and need to be escalated for action or further investigation by other parties (e.g. internal specialists, Corporate Committees, University Executive or a Committee of the Board of Governors);
 - Moderate areas of risk that are common amongst several risk registers and therefore suggest a widespread issue;
 - Risk registers that are not changing and support may be required.

6.6. Escalation mechanisms

Risks that are considered to pose a significant threat to the University can and should be escalated via the Risk Manager in the first instance. In addition, the Risk Manager will review significant and critical risks (i.e. red and amber risks) across all risk registers to inform judgements about escalation. Escalation would be considered where there has been a significant adverse change in the status of a Strategic, Faculty or Service risk. Escalation may or may not involve moving a risk onto the Strategic Risk Register; a report to the University Executive on the risk may be a sufficient method of escalating the issue for consideration.

7. Risk appetite

7.1. The University’s risk appetite statement can be found in appendix 2

8. Related Policies, Procedures, Training and Other Resources

8.1. The policy links to the University Strategy as well as various other university policies, plans and initiatives particularly the five year and annual planning processes, the University’s Incident Management and Major Incident Plan, Safeguarding Policy, Design Authority and Planning Group, Business Continuity Plan (under development), ethics framework and the Internal Audit Plan

Version No.	Author	Date	Changes
1.0	Kelly Oliver	12 January 2022	New Policy
2.0	Kelly Oliver	9 February 2022	Post Audit Committee
3.0	Kelly Oliver	21 February 2022	Audit Committee Endorsement
4.0	Kelly Oliver	1 March 2022	Board Endorsement

Appendix 1

Risk Management Process

The identification and assessment of risks will take place throughout the year and will be a formal part of the planning cycle. The University uses a standard risk template (below) to record all risks, associated key controls to mitigate the risk and any additional actions required if it is felt the University will benefit from further risk mitigations. This template will be maintained by the Risk Manager.

Strategic Outcome: XXX						
SSR	Risk Name	Risk Owner: XX	Date the risk was last reviewed:			
Triggers/Influencing Factors	Controls in place to mitigate the risk	Control Owner	Source of Assurance	Additional Controls Required	Action Owner	Implementation Date

Consequences:
1
2
3
4
5

	RISK SCORES		
	IMPACT	LIKELIHOOD	RISK SCORE
CURRENT			
TARGET			

The University uses a standard risk scoring methodology. We can understand our potential exposure by multiplying the likelihood and impact scores. This will then generate a list of risks that are reportable to University Executive and Audit Committee.

		IMPACT (a)					
		(a x b)	Low (1)	Minor (2)	Moderate (3)	Major (4)	Critical (5)
LIKELIHOOD (b)	Highly Likely (5)	5	10 (UE)	15 (UE)	20 (AC)	25 (AC)	
	Likely (4)	4	8	12 (UE)	16 (UE)	20 (AC)	
	Possible (3)	3	6	9	12 (UE)	15 (UE)	
	Unlikely (2)	2	4	6	8	10 (UE)	
	Remote (1)	1	2	3	4	5 (UE)	

Key

Risk Score = 1 – 8 = Green – within risk tolerance for management to deal with

Risk Score = 9 – 16 = Amber – risk should be reported to UE for monitoring

Risk Score = 17 – 25 = Red – risk should be reported to UE and AC for monitoring

When effectively embedded, these processes help to identify and assess the risks associated with undertaking and delivering specific projects and activities and inform the wider assurances required to progress and monitor them.

Controls

When risks are identified the University will look to control them in order to limit the likelihood of them occurring or impact they

will have when they occur. There are four general approaches to be used for the treatment of risks.

- Treat: risks are reduced by management action / the introduction of internal control measures to reduce likelihood or impact.
- Tolerate: Informed acceptance of the residual risk. risks are accepted and built into operational or project management.
- Transfer: – risks are passed on to another organisation or body e.g. to a third party through contract or other mechanism such as insurance.
- Terminate: risks are avoided by ceasing the risky activity or declining a new opportunity.

The control should have a named owner and the source of assurance, the source of assurance needs to be a verifiable document, event or activity. Audit Committee, University Executive or Internal Audit may wish to see the source of assurance.

Where the controls in place do not sufficiently mitigate the risk additional actions to mitigate may be identified. Each action will be allocated a named owner and an implementation date. These actions will be followed up to ensure they are implemented and the risk score will be adjusted accordingly.

Risk Reporting

The strategic risk register is owned by the University Executive who will consider the register in detail at one of their strategic discussions during the year.

A dashboard/summary of strategic risks will be provided to each meeting of the Board of Governors, Employment and Finance Committee and Strategic Performance Committee with details of any risk movement.

The full strategic risk register will be provided to each meeting of Audit Committee with a summary document providing details of any risk movement.

The Faculty and Professional Services risk register will be provided to University Executive as part of the annual planning process.

Appendix 2 - Risk Appetite

Introduction and background

The University Strategy 2018 – 2024 outlines how the University will deliver its Vision 2030. To achieve the strategic outcomes the University will, on occasion, be required to take risks. The University's appetite for taking risk varies according to the activity to be undertaken and acceptance of risk is subject to ensuring that potential benefits and risks are fully understood before developments are authorised, and that sensible measures to mitigate risk are established.

Using the Risk Appetite Statement in decision making

The risk appetite statement is a key part of the University's decision-making processes. It should be used when new and significant proposals and initiatives are being considered by the University. Risk Appetite, however, is only one aspect of a larger decision-making framework which includes aligning activities to the University Strategy, Strategic Outcomes, Business Outcomes and Key Performance Indicators as well as the consideration of financial and ethical considerations.

Wherever possible, the University will look to treat, transfer or terminate significant risks. However, there may be times where decisions will be made regarding activities where the risk profile is outside the Risk Appetite Statement, and an increased level of risk will be tolerated. In such cases the University may agree to accept the risk. This will require approval by the University Executive in most cases.

Risk Appetite Statement

Risk Appetite Scale	Description	Risk Category	Appetite position
Low (Averse)	The University has a close to zero tolerance for exposure in these areas. The University has a preference for safe decision making in these areas. Any risks taken should be carefully considered, managed and controlled appropriately.	Compliance Health & Safety, Legal, Regulatory, UKVI, Ethics, Equality Diversity and Inclusion	The University will not risk breaches of legislation, regulation, professional standards or ethics, and does not tolerate bribery, corruption or fraud.
		Reputation Academic Integrity, relationship with national and local government, funders and partners. Perception within communities and wider public	The University will not risk its reputation as a strong challenger University delivering an excellent student experience. This includes any activities that could lead to undue adverse publicity or loss of confidence.
		Information and data governance Data security, integrity, and confidentiality, records retention, cyber security.	The University will not risk the security or integrity of the information and data it holds.
		Academic Quality and Standards Teaching and assessment quality, TEF performance, standing in Research Excellence Framework (REF)	The University will not risk its academic excellence which is at the heart of its values.
		Future Sustainability Sustainability of income streams, infrastructure (maintenance/investment), major investment	The University will not risk activity that would threaten its long-term viability and sustainability

Risk Appetite	Description	Risk Category	Description
Moderate (Cautious)	Prepared to accept exposure to moderate levels of residual risk in order to achieve acceptable outcomes or benefits	Financial Student recruitment income, other income, investment, budget management	The University recognises that some risk exists when pursuing ambitious objectives. Through organisational sustainability, efficiency and effectiveness resources, will be made available.
		People and Culture Equality diversity and inclusion, staff engagement and morale, recruitment and retention, succession planning, staff management, adherence to University values	The University recognises that some risk exists when empowering ambitious people who will drive transformation, however this should always be values led. For example, to achieve better EDI outcomes the University needs to be innovative in its approach to recruitment.
		Teaching and Student Experience Delivery of engaging programmes, protecting student health and wellbeing, facilities and activities outside of the curriculum	The University recognises that some risk exists when offering an outstanding student experience which inspires learning amongst its students. The University is prepared to accept this risk subject always to ensuring that potential benefits and risks are fully understood before developments are authorised and that appropriate measures to mitigate risk are established
		Global Presence International student recruitment, global reputation, growth in overseas campus, international partnerships, student and staff mobility	The University recognises that some risk exists when trying to achieve global impact, international collaborations and staff/student exchanges with leading institutions across the world.
Open	Prepared to consider and accept an increased level of residual risk in pursuit of innovation and delivery of successful delivery of strategic and business objectives.	Research and Innovation Industry/enterprise/engagement/partnerships. Intellectual property, alumni.	The University recognises that there may be an increased level of risk involved with achieving world class research activity (including REF outcomes). All research is subject to ethical approval which will ensure risks to be taken are considered.
		Change Management Project risk, engagement and communication, training and implementation of new structures /systems /processes	The University recognises that there may be an increased level of risk when delivering major change and innovation, this includes staff sensitivities. The University professionally manages major change which includes oversight and management of risks around change.
		Partnerships and Collaboration Local, national and global engagement, cultural partnerships, civic partnerships, educational partnerships.	The University recognises that there may be an increased level of risk when developing new partnerships. The potential benefits and risks of new relationships will always be fully understood before developments partnerships are created.

Note - External risks such as political change and disruption cannot be controlled by the University, however they will be considered in the decision-making process.