Risk Management Procedure

Version 3 - Approved 16 February 2024

Contents

Purpose

The purpose of the *Risk Management Procedure* is to describe the methodology and process to guide, direct and assist all members of the University Community to better understand and adopt consistent risk assessment and management processes.

Applicable governance instruments

Instrument	Section	Principles
Risk Management and Business Resilience Policy	1 Risk Management	1.1 – 1.7
General Delegations Ordinance		

Procedure

1. Risk Management Standard

The Risk Management Framework is based on the Australian Standard for risk management, AS ISO 31000:2018 ("the Standard") under which *The effectiveness of risk management will depend on its integration into the governance of the organization, including decision-making. This requires support from stakeholders, particularly top management*.

2. Risk Management Procedure

2.1. Each decision made during day-to-day activities have an element of risk.

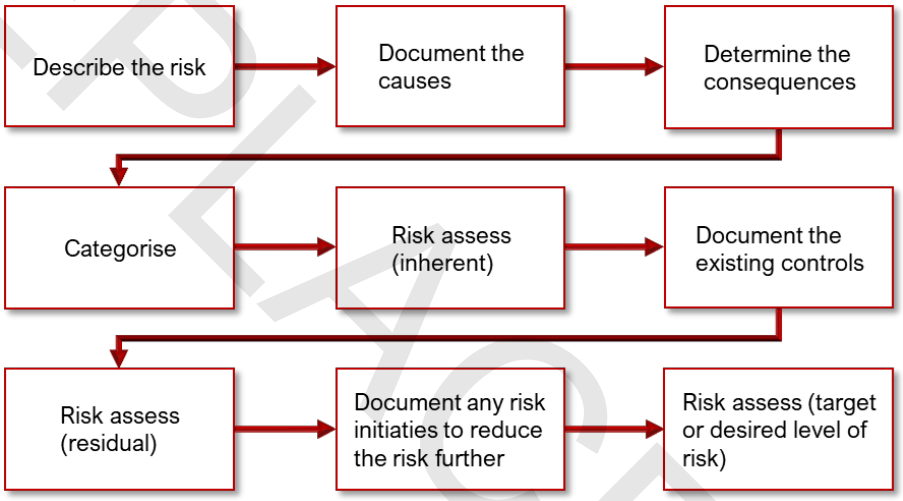
2.2. It is important to describe risks in a way that ensures management focus on the actual event that is impacting the University's objectives and therefore how to respond appropriately to the risk.

2.3. On most occasions once a risk has been identified, it can be prevented, controlled, or avoided. Sometimes even though a risk has been identified, no action will be taken, and the risk is accepted.

2.4. Sometimes the University may want to take some risk to achieve its strategic objectives, this is referred to as the University's Risk Appetite. The level of risk that the University is willing to take is set by University Council and any decision outside of that must be escalated to University Council. This is described in the University's Risk Appetite Statements.

2.5. It is important that risks are reported, to reduce the chance that an injury or decision will impact the University's intended outcomes.

2.6. When understanding risk management, these key stages should be undertaken to ensure good risk management is practised:

Stage	Description
Communication and Consultation	It is essential that all relevant stakeholders are consulted during good risk management. The purpose of this is to provide the decision-maker with as much relevant information as is available and to facilitate implementation by ensuring that the reasons for the decision taken is understood.
Risk Assessment	The Risk Assessment process incorporates three key steps: 1 Risk identification 2 Risk Analysis 3 Risk Evaluation It is described further by these nine steps when completing the University risk register template:  The Risk Management Staff Intranet page provides further guidance and templates for when completing a risk assessment or risk register (see the Risk Management Intranet page).
Risk Identification	Risks are described as prospective events or process failures that could impede the University's strategic intent and operational activities. This assists the University in focussing on what the actual event is, how to mitigate its occurrence and as a result, focus and shift behaviour to manage the risk more effectively. For the purpose of analysing and consolidating risk information, risks are classified according to the source of risk against one of these risk categories: • Student • Our People • Research • Financial • Environment

- Compliance
- Engagement

Risk Analysis	Risk will be analysed to determine which objective/s of the University is affected and the degree of influence each risk has on the achievement of objective/s.
Risk Evaluation	Each identified risk will be evaluated to determine its residual risk rating, based on existing levels of controls implemented. Risks are rated and prioritised using the consequence and likelihood definitions contained in the Risk Rating Matrix. The Risk Rating Matrix is used as guidance for responsible risk owners to rate inherent, residual and target risk exposures.
Risk Treatment	The need for further mitigation strategies will be guided by the level of risk deemed acceptable by the University, through the University's Risk Appetite Statements. The University's risk treatment and acceptance principles are: • Apply the University's Risk Rating Matrix and ensure risk treatments are appropriate. • Accept risks in accordance with the Risk Appetite Statements, and according to the *General Delegations Ordinance*. • If not within *General Delegations Ordinance*, apply further mitigation strategies and controls to reduce unacceptable residual risks to acceptable risk levels, within the agreed timeframes. If you are unable to reduce the risk further, apply the *'One-up' Principle* to those with appropriate authority. • A commitment to managing risks to the agreed target risk level.
Monitoring and Review	University risks are required to be identified and recorded using the tools and templates provided on the intranet site. College and Division risks, and how they are being managed/mitigated, will be scrutinised through the annual planning process, and periodically presented to the Audit & Risk Committee.
Recording and Reporting	The risk management process and its outcomes should be documented and reported to: • communicate risk management activities and outcomes across the University • provide information for decision-making • practice good risk management • assist interaction with stakeholders • communicate insights and learnings, and • continually improve and evolve Risk Management

- provide clarity on appropriate delegate for a decision in accordance with the Risk Delegations within the General Delegations Ordinance.

Versions

Version	Action	Approved by	Business Owner/s	Approval Date
Version 1	Approved	Chief Operating Officer	Director, Audit and Risk	25 September 2020
Version 2	Approved	Chief Operating Officer	Director, Risk	15 December 2021
Version 2	Reconfirmed, unchanged	Chief Operating Officer	Director, Risk	16 February 2023
Version 3	Approved	Deputy Vice Chancellor, Student Services and Operations	Director, Risk	16 February 2024