BIRMINGHAM CITY University

1. PURPOSE

1.1. Birmingham City University is committed to the effective management of risk at every level within the University Group.

1.2. This risk management policy explains the University's underlying approach to risk management, documents the roles and responsibilities and refers to the University's risk appetite and risk management procedures.

1.3. The policy forms part of the University's corporate governance arrangements.

2. OBJECTIVES

2.1. The overarching purpose for the Risk Management policy is to provide direction and, increase the confidence of the University in achieving its goals and objectives, whilst protecting students, staff and the reputation and sustainability of the University.

2.2. To integrate and embed a consistent and robust approach to managing risk by adopting an Enterprise Risk Management (ERM) framework and processes across the University.

2.3. To enable the University Executive Group's (UEG) planning and strategic decision making processes to be informed by accurate and congruent assessment of risk.

2.4. To engender risk management across the University's Faculty and Professional Services that identifies operational risks and facilitates feedback into the strategic risk arena.

2.5. Promote a risk aware culture that encourages horizon scanning and the taking of managed risks in pursuit of opportunities and innovation that benefits the University.

2.6. To provide assurance to:

2.6.1. Audit Committee, that UEG and managers are focusing on key risks

2.6.2. Board of Governors, that the University's robust framework to manage risk provides confidence towards the achievement of its strategic objectives.

2.7. Improve business performance

3. SCOPE

3.1. This policy applies to all members of the University Group, whether wholly or partly-owned, trading or non-trading, incorporated or unincorporated.

3.2. The University works closely with third parties and all those with whom it enters into partnership with must ensure that they adhere to this policy

4. ENTERPRISE RISK MANAGEMENT FRAMEWORK

4.1. This framework involves the systematic and proactive application of the policy, procedures (see separate document) and practices by understanding the context, assessing the risk, taking actions to manage that risk and reporting it to the appropriate body.

4.2. This framework will be integrated into the University's ways of working at strategic, operational and project level.

4.3. Awareness and where appropriate training of individuals will be undertaken to improve capability, promote a culture of risk management and develop a skilled Community of Practice seeded within the university.

4.4. The University's statement of risk appetite sets out the overarching principles that define its appetite for risk, and guides the University's approach to the acceptance of risk. Risk appetite is determined for the University Group as a whole, and for individual issues as appropriate by The Board of Governors.

4.5. Specifically, the ERM process:

4.5.1. Risk Identification – The process of discovering and describing the risk, within a risk register, that may help or hinder the University achieving its objectives.

4.5.2. Risk Analysis – Comprehending the nature of the risk and its characteristics stating the causes and impacts of the risk.

4.5.3. Risk Evaluation – Utilising risk scoring criteria to assess the likelihood of the event happening and the nature and magnitude of its consequences. This scoring also enables prioritisation of risks.

4.5.4. Risk Mitigation – SMART actions assigned to an owner that will reduce negative or raise positive impacts of the risk.

4.5.5. Risk Monitoring – Establishing a regular process to review the risk, its mitigating actions and revised scoring to demonstrate changes to the risk profile.

4.5.6. Risk Reporting – Communicates to the appropriate body risks that the University identifies and demonstrates actions being taken to mitigate those risks.

5. ROLES AND RESPONSIBILITIES

5.1. An effective Enterprise Risk Management framework permeates through existing management processes and provides assurance over the management of key risks, and interdependence between strategic and operational objectives. Risk management must be embedded throughout the University to enable all staff to have a role in identifying and mitigating risk and sharing good practice.

5.2. Business Continuity & Risk Manager

5.2.1. Driving the implementation of Risk Management policy and the Enterprise Risk Management framework across the University

5.2.2. Provide subject matter expertise and training to VCO, Faculty, Professional Services and the Community of Practice to enable implementation of the Risk Management policy

5.2.3. To review and adopt good practice risk management tools and techniques on a periodic basis

5.2.4. Identify and develop key resources to join a risk Community of Practice to support the University in developing good quality risks registers

5.3. Community of Practice

5.3.1. Support and develop operational risk registers on a regular basis and identify common themes across the University

5.3.2. To support training and awareness of risk management throughout the University

5.4. Faculty Deans and Directors of Professional Services

5.4.1. Provide leadership and commitment to implement the Risk Management policy within their organisation

5.4.2. Provide a resource to lead risk within their organisation and who will become part of the University Community of Practice

5.4.3. Identify and manage the operational risk portfolio with their senior leadership team on a regular basis

5.4.4. Maintain their risk register and report progress to their quarterly performance review meetings

5.5. Corporate Management Team

5.5.1. Challenge and review 'high level' risks identified within operational risk registers on a periodic basis

5.5.2. Enable a process to review and where appropriate promote operational risks on to the strategic risk register

5.6. UEG is responsible for:

5.6.1. Providing leadership, commitment and resources to implement the Risk Management policy and internal controls

5.6.2. Identifying and evaluating strategic risks and managing the actions to mitigate those risks

5.6.3. Undertake an annual review of effectiveness of risk management and internal control providing an assurance report for review by Audit Committee, on behalf of the Board;

5.6.4. Report its view of the SRR to Audit Committee on a regular basis

5.6.5. Report to the Board regularly on progress made against the performance indicators outlined in the University's Strategic Plan, the risks to achieving these objectives and all relevant controls. This is done through a 'scorecard' template, against which risks are RAG rated.

5.7. The Audit Committee

5.7.1. To advise the Board on the effectiveness of internal controls systems, including the management of risk

5.7.2. Monitor the management of significant risks identified across the University

5.7.3. Ensure that the Enterprise Risk Management framework has been adopted throughout the university

5.8. The Board

5.8.1. Approve major decisions affecting the University Group's risk profile and exposure

5.8.2. Annually review the University Group's approach to risk management

5.8.3. Set the tone and influence the culture of risk management within the University

5.9. Internal Audit

5.9.1. The University uses an Internal Audit function to monitor and improve the effectiveness of its risk management controls

6. STATUS

Date	Author	Change	Approved
Oct 2017	AM	Minor changes	UEG 2017
Jan 2019	MA	Major revisions to enable the delivery of an Enterprise Risk Management framework	UEG 8/1/2019