Risk Management Policy

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1.   Purpose

a. Effective risk management is an integral part of good management practice as it:

   i.   enables opportunities to be maximised while mitigating potential loss or damage

   ii.   supports better decision making by contributing a greater insight into risks and their impacts

   iii. promotes good governance by assisting in the allocation of resources to manage risks

   iv.   promotes accountability and ensures monitoring of risks.

b. This policy supports the University in achieving its strategic objectives by setting out the principles that guide risk management across the University and specifying risk management responsibilities.

c. This policy is a component of the Risk Management Framework, both of which are consistent with the International Risk Management Standard ISO 31000:2018. This policy should be read in conjunction with the remainder of the Risk Management Framework.

2.   Scope

This policy applies to all University Personnel and all controlled entities when engaging in University activities.

3.   Definitions

Material Risk	Risks that could have a major or severe impact on the University as defined in the Risk Management Framework.
Risk Appetite	The degree of risk the University is prepared to accept in the pursuit of its objectives. The University will develop and maintain a Risk Appetite Statement.
University Personnel	University staff and academic status holders, including staff of University controlled entities.

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4.   Risk Management Framework

a. The University's Risk Management Framework comprises:

- this policy
- the Risk Management Methodology and processes
- the Risk Appetite Statement (RAS)
- the risk management systems used by the University which assist with the recording, measurement, assessment, and reporting of material risks
- the Critical Incident Management Procedures
- business continuity plans and processes
- the annual Internal Audit Plan
- the University Insurance Program
- other policies and procedures relating to specific risk areas, including the Legislative Compliance Framework, work health and safety, fraud, cyber security, conflicts of interest and commercial activities.

b. Risk Management is integrated within the overall culture of the University's core business activities and decision making.

c. The Risk Management Framework is supported by Governance, Legal and Risk.

5.   Policy Principles

The following principles guide risk management activities within the University:

a. the University will apply a consistent and systematic approach to risk management as outlined in this policy and the Risk Management Methodology

b. risk management will be integrated by all staff into the University's culture, including strategic and business planning, project initiation, development of operational policy and procedures, day-to-day process and activities, education, research and third-party engagement activities

c. as set out in the Risk Management Framework, the University will adopt the 'three lines of defence' approach to risk management in which all staff are responsible for identifying and managing risk in accordance with the University's Risk Management Framework

d. the University acknowledges the need to take risks to achieve its strategic objectives and is committed to fostering an environment where the balance between risk and reward is considered while operating within the University's defined risk appetite

e. the University will continuously monitor and adapt the Risk Management Framework and its outcomes, considering both internal and external changes, to ensure its ongoing suitability and effectiveness

f. outsourcing of risk through a cost-effective insurance program will form part of the University's strategy for managing risk.

6. Responsibilities

a. **Council**	Oversee, approve and monitor significant commercial activities, the assessment and management of risk, and systems of control and accountability, in accordance with the responsibility set out in section 5(2)(f) of the *Flinders University of South Australia Act 1966* (SA). In practice, Council is supported and advised on this responsibility by the Audit & Risk Committee.
b. **Audit & Risk Committee (Council sub-committee)**	Support and advise Council on the effective discharge of its responsibilities related to: i. risk management ii. systems of control and accountability iii. approval of significant commercial activities iv. the oversight of controlled entities. More details about the Audit & Risk Committee's responsibilities are set out in the Audit & Risk Committee Terms of Reference.
c. **Internal Audit**	i. Independent review and assurance of the appropriateness, effectiveness, and adequacy of the risk management framework. ii. Ensure that the first and second lines are operating effectively. iii. Provide assurance to the Council, Audit & Risk Committee and Senior Executive Team that the University's governance, risk management and internal controls are operating effectively.
d. **Risk Management Committee (Management committee)**	Oversee and guide the University's risk management activities. This includes ensuring that the University has appropriate processes in place to identify, assess, and manage risks to protect the University and support its objectives. More details about the Risk Management Committee's responsibilities are set out in the Risk Management Committee Terms of Reference.
e. **Senior Executives**	i. Be responsible and accountable for risk management within their area of responsibility including ensuring sufficient allocation of resources for identifying and managing risks. ii. Actively promote the use of risk management processes in accordance with the Risk Management Framework. iii. Evaluate risks to consider options, including acceptance of risk where appropriate or treatment plans for unacceptable risks. iv. Monitor risks and treatment plans. v. Ensure decision-making and strategic planning processes include consideration of the balance between risks and reward, and that the level of risk accepted delivers on strategic objectives while remaining within risk appetite. vi. Establish and promote a strong risk culture throughout the University which is in alignment with the Risk Management Framework.

	vii.	Contribute to the development and maintenance of a University-wide view of risks.
	viii.	Identify, review and consider the impacts of new or emerging risks on the University.
f. Deans / Directors and equivalent	i.	Be responsible and accountable for the day-to-day management of risk in their areas of responsibility, including ensuring operational risks are identified and mitigation strategies are in place and operating effectively, and added to the University Risk Register.
	ii.	Establish and promote a strong risk culture throughout the University which is in alignment with the Risk Management Framework.
g. Risk & Assurance Team	i.	Develop risk management policies, systems, and processes to promote a consistent and effective approach to risk management across the University.
	ii.	Oversee and ensure consistent implementation of the Risk Management Framework.
	iii.	Provide independent review and objective challenge to ensure risks are appropriately identified and assessed, controls are appropriate and that impact upon the risk profile is considered in decision-making.
	iv.	Provide reporting and insights to executive management, Audit and Risk Committee, and Council in accordance with the Risk Management Framework and Committee Charters.
	v.	Establish and promote a strong risk culture including training, advice and support to Directors, Executives and employees on risk issues, obligations, and accountabilities.
h. All staff (including employees and contractors of Flinders University and its controlled entities)	i.	Comply with all applicable policies and procedures.
	ii.	Act in accordance with the University's values.
	iii.	Identify, escalate and report all identified operational risks and incidents in accordance with the Risk Management Framework.
	iv.	Assist with identifying, evaluating, mitigating, monitoring, controlling, and managing risks as required.
	v.	Understand responsibilities associated with specific risk mitigation activities as they arise and ensure their successful execution.
	vi.	Assist with implementation of risk treatment plans as required.
	vii.	Consistently balance risk and reward while operating within the University's risk appetite.

7.   Supporting procedures

Supporting procedures are part of this policy and provide additional detail to give practical effect to the policy principles.

Risk Management Methodology

Risk Appetite Statement

Legislative Compliance Framework

Approval Authority	Council
Responsible Officer	General Counsel and University Secretary
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* Unless otherwise indicated, this policy or procedures still apply beyond the review date.

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