



Trinity College Dublin

Coláiste na Tríonóide, Baile Átha Cliath

The University of Dublin

UNIVERSITY RISK MANAGEMENT POLICY

TRINITY COLLEGE DUBLIN

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1) Introduction and Context

1.1 Trinity College, The University of Dublin (the University) has a long-established policy for the effective management of risk in the University, including the identification and assessment of risk, deciding on appropriate responses, and then providing assurance that the chosen responses are effective.

1.2 In developing this Risk Management Policy, the University has considered rules and guidelines set out in the following documents;

- The 1997 Universities Act
- Joint HEA & IUA report on the governance of Irish universities 2007
- Revised code of practice for the governance of state bodies 2019
- Code of Governance for Irish universities 2019
- ISO 3100 Risk Management Principles and Guidelines

1.3 The Policy asks all members of each Faculty and Professional area to consider their environments and work to ensure Trinity College University can plan and react to risk management positively and in a proactive manner.

2) Purpose of this policy

2.1 The purpose of this document is to;

- Provide a framework to support the University in formally identifying, assessing, managing, mitigating, transferring, and reporting risk.
- Provide a framework for the University to measure the likelihood and impact of risks in a dynamic and progressive manner
- Establish responsibilities for overseeing the effectiveness of risk management
- Establish responsibilities for managing and participating in the formal risk management processes.

3) Scope

3.1 This Policy concerns itself with all areas of the University and their activities,-including major infrastructural and research projects or institutes and is advocated by the Board and all of its Subcommittees.

3.2 The Policy seeks to ensure a proactive approach to the management of risk and its identification at the earliest opportunity in order to implement the most appropriate solution to manage it effectively.

4) Risk Management Objectives

4.1 The University recognises that the application of risk management is an important element of good governance and assists the University in achieving its stated objectives. Specifically, the rigorous analysis and management of uncertainty surrounding these objectives will assist the University in ensuring that threats are mitigated whilst opportunities are advanced.

5) Risk Management Framework

5.1 Proactive risk management provides the Board, management, and staff with assurance regarding the effective management of risks that may threaten the achievement of stated objectives.

5.2 The Risk Management Framework is a dynamic tool that is developed with the capacity to effectively adapt to the changing environment in which the University finds itself. It strives to align itself with the University Strategic Plan 2020-2025 supported by agreed risk management principles derived from both the experience of the University and the risks that it seeks to manage.

5.3 The Risk Management Framework outlines the process of measurement of risk or opportunities resulting in one of the following risk ratings;

- i) Green is defined as a Low Risk
- ii) Amber is defined as a Medium Risk
- iii) Red is defined as a High Risk.

These ratings have defined limits of measurement and are assessed based on experience, incident and other environmental factors deemed relevant by the area experts.

5.4 The process of measuring the risk of likelihood and impact is considered between the ratings of 1 to 5.

5.5 Inherent risk is defined as the risk without controls whilst residual risk is assessed against the effectiveness of the controls managing the risk.

5.6 The Risk Management Framework provides the tools to support both the historic measurement of risk with a view to preventing or identifying the circumstances within which the University may wish to accept, mitigate, transfer, or manage specific types of risk in the future. An example of such a tool is the Risk Register for each Faculty, Schools and Division/unit as well as the ongoing development of analysis of the information from these registers.

6) Risk Management Principles

6.1 The key purpose of the Risk Management Framework is to detail a system of risk management that can assist the University in effectively identifying, measuring, monitoring, reporting, and managing risks arising within the University as it seeks to achieve its strategic objectives.

This is done using the International Standard ISO 31000 principals of Risk Management, as incorporated into the Risk Management Framework currently in place in the University. ¹

7) Risk Appetite

7.1 The Board defines Risk Appetite as the principal risks that the University is willing to accept to achieve its strategic objectives while maintaining sound risk management and internal control systems.

7.2 Risk appetite refers to the University's Risk appetite and, if appropriate, Risk Tolerances for each category of risk defined in the Trinity College Risk Management Policy. The Risk Appetite Statement (RAS) specifies the amount of risk the University is willing to seek or accept in the pursuit of its long-term objectives. It indicates the parameters within which the University would want to conduct its activities.

7.3 It is understood that risk is a necessary part of doing business² however it is critical that a risk appetite statement is in place in all Faculties and Professional areas within the University and forms the basis of decision-making processes.

7.4 The University recognises that in order to successfully deliver on its mission and objectives it must be prepared to avail of opportunities where the potential reward justifies the acceptance of certain risks. The University seeks to minimise its exposure to reputational, compliance and financial risk, whilst accepting and encouraging an increased degree of risk in pursuit of its mission and objectives.

7.5 As the University continues to review and develop both operational and academic key indicators that support and guide the day-to-day implementation of the overall Strategic Plan 2020 - 2025. These key indicators will support the management of risk throughout the University.

7.6 The University will review its risk appetite annually in light of changing circumstances in its wider environment and in its capacity to bear risk.

8) Risk Profile

8.1 The University is exposed to several risk categories although this is not an exhaustive list of risk categories and may change depending on the nature of the risk. The known risk categories include:

- a) Research and Innovation
- b) Teaching and Learning
- c) Compliance
- d) Financial
- e) Operational
- f) People and Culture

¹ <https://www.iso.org/obp/ui/#iso:std:iso:31000:ed-2:v1:en>

² Risk Management ISO 31000 2018 - <https://www.iso.org/files/live/sites/isoorg/files/store/en/PUB100426.pdf>

g) Reputational

h) Strategic

The University must ensure that it can adequately address these risks as they arise and ensure a contingency is in place. Depending on the material changes that may arise to the risk categories identified, a risk mitigation plan will be implemented. Through the review and development of both operational and academic key indicators it is anticipated that these will provide indications of pressure points where preventative action may be initiated. The University recognises that risks will arise such as the COVID-19 Pandemic and will as necessary develop its categories to ensure effective management of these risks and reporting on their mitigations.

9) Risk Management Responsibilities

9.1 All members of the University community have a responsibility to engage in effective risk management, this includes Faculty Deans, Heads of Schools, Heads of Units, Executive Officers and Chief Officers will be responsible for supporting the delivery of effective risk management practice within their area.

9.2 The governance of the University lies ultimately with the Board. Governance is the system by which the University is directed and controlled in order to achieve its objectives and meet the necessary standards of accountability, probity, and compliance. Risk management is an essential element of the process of governance and decision making.

9.3 The Board has responsibility for overseeing the management of risk within the University as a whole. The Board,

- Approves the risk management policy and monitors the effectiveness of risk management processes
- Sets the risk appetite, and approves the University wide Risk Register at least annually
- Reviews material risk incidents and notes or approves management's actions, as appropriate.
- Includes risk management as a specific item for discussion on the agenda at least twice a year, and as an agenda item throughout the year as the need arises
- Considers the formal risk assessment and management actions when considering all major proposals brought to Board for approval
- Receives and considers reports from the Audit Committee on the effectiveness of the systems of Risk Management
- Include risk management experience/expertise in the competencies of at least one Member. Where composition of the Board does not allow for this, expert advice should be sought externally
- Appoints a Chief Risk Officer at a senior level with overall responsibility for directing Risk Management and provide for a direct reporting line to the Board

- Reviews management reporting on risk management and note/approve actions as appropriate
- Require independent review of effectiveness of risk management on a periodic basis.

9.4 The Provost is responsible for the executive management of the University and its day-to-day direction. The Provost has delegated responsibility for overseeing the operational running of the Risk Management Function to the Risk Management Group. The Provost is responsible for ensuring that the Risk Management Group effectively execute their responsibilities, and for drawing the immediate attention of Board to any instances where risks are being incurred which exceed the risk appetite or if a major breakdown in the system occurs.

9.5 The Risk Management Group whilst the operational arm of the EOG in terms of the implementation of the Risk Management Framework are also responsible for guiding and directing the Risk Management Function subject to direction by the Provost, Executive Officers Group and Board as appropriate. The Risk Management Group reports to the Executive Officers Group on all matters of risk management and should submit copies of the minutes of each RMG meeting to the EOG. The Executive Officers Group will include risk management as a standing agenda item at its meetings and will provide oversight, review and challenge to the Risk Management Function and the RMG. The Chief Risk Officer is Chairman of the Risk Management Group and directs the University Wide University Risk Forum to ensure the effective implementation of the Risk Management Framework.

9.6 Responsibilities of the Risk Management Group are summarised as follows:

- Guide and oversee the development of the risk management and fraud policy
- Identify risks, analyse, and agree the level of risk categorisation of those risks as presented to them.
- Oversee the development and implementation of processes to support the identification, assessment, management and reporting of risk
- Review the College Risk Register(s) at least once per year to ensure that Risk Management Policy and guidance have been consistently adhered to.
- Report to the EOG and the Board, in addition to send documents to the Audit Committee for noting
- Monitor the effectiveness of risk management
- Promote the ongoing enhancement of risk management processes across the University
- Consider the University Emergency Plan on an annual basis and the University Business Continuity plans that are in place across the University.

The complete responsibilities of the Risk Management Group are available in the Risk Management Group Terms of Reference.

9.7 The Chief Risk Officer has overall responsibility for the discharging of the University Risk Management Framework which requires the support of the Academic and Administrative areas within the University to ensure its effective implementation.

Responsibilities are summarised as follows;

- Report directly to the Board on a regular basis.
- Has direct access and reports to the Provost as and when required
- The CRO Office works with the Secretary's Office for operational and administration purposes
- Chair the Risk Management Group on an ongoing basis
- Lead the Risk Champions Working Group and Risk Assurance Function Working Group.
- Implement the risk management policy
- Coordinate the formal risk management process
- Ensure all individuals with responsibility for risk management are provided with guidance appropriate to their responsibilities.
- Liaise with the relevant external risk oversight or management bodies
- Liaise with the internal assurance functions in the development of an overall risk profile for the University
- Highlight all identified risks to the relevant stakeholders as notified to the Chief Risk Officers Office within the University
- Seek support and sign-off on these from the Risk Management Group stakeholders engaged in managing the risk
- Reviews the Emergency Management Plan on an annual basis and recommends revisions to this plan for approval by the EOG, Board and Audit Committee.
- Is a member of the appropriate University governance and operational structures such as the Quality Committee and the Safety Committee, which address risk matters as part of their remit.

9.8 As heads of function and heads of faculty, each Dean of Faculty, Chief Officers and Executive Officer is responsible for overseeing the formal risk management processes in their respective functions. Responsibilities include:

- Review, provide challenge and approving Risk Register(s) in their areas of responsibility
- Advise the Risk Management Group of risks that might have University wide significance for consideration in the University wide Risk Register including significant risks in their own areas
- Ensure that Risk Registers are prepared to the appropriate standard and on a timely basis
- Escalate significant risks to the EOG as the need arises

9.9 All academic and administrative staff have responsibility for risk management. Responsibilities in this regard may include:

- Own and manage risks delegated in the Risk Registers
- Comply with controls as stated in Risk Registers

- Escalate control gaps / weaknesses / risks impacting theirs or other areas
- Participate in the formal risk management process as required by those charged with overseeing and managing the risk management function
- Report systematically and promptly to the chief risk officer any perceived new risks or failures of existing control measures
- Incorporate risk management into daily decision-making processes

9.10 The Audit Committee should consider and monitor at a high level the effectiveness of processes for managing risk. The Committee should have risk management as a frequent agenda item at its meetings and should share information with the Board, Internal Audit and the Chief Risk Officer regarding the effectiveness of the risk management system. The Audit Committee should:

- Review and monitor the effectiveness of the system of risk management
- Approve the Risk Based Internal Audit Plan
- Provide guidance to the Internal Audit function focusing on key areas for review
- Support the Risk Management function bringing risk matters to their attention

9.11 Internal Audit should, subject to the resources available to it:

- Provide objective assurance to the Audit Committee and Board on the effectiveness of the organisation risk management system
- Assess if key business risks are being managed appropriately and that the system of internal control is operating effectively
- Consistent with other areas of the College, liaise with the Chief Risk Officer with respect to the Internal Audit Risk Register, and any University related risk matters such as fraud, for example.
- Provide the Chief Risk Officer with access to all internal audit reports and liaise with the Chief Risk Officer to discuss matters of risk as identified within these reports or as they become known to the Internal Auditor.

10) Risk Management Process

10.1 The risk management processes will be developed, monitored, and enhanced under the guidance of the Risk Management Group taking account of the following principles:

- The risk process and enhancements will be communicated and rolled out with appropriate support to all levels of University.
- Risk management will be embedded within normal management processes so that risk issues are owned and managed by those involved in the day to day running of University at academic and administrative levels. This will entail the coordination of operational strategic and business planning with risk identification, assessment and management at unit level across University as well as a top-down assessment of risk.

- In identifying risks regard will be had to all possible internal and external sources of risk including strategic objectives, compliance obligations, governance risks and include all academic and operational activities
- In assessing risk levels, the effectiveness of existing controls in place will be assessed
- A common system for assessing risk will be established across all areas
- All risks will have named individuals as risk owners
- All actions will be regularly monitored, and progress reported to the Head of Area and Chief Risk Officer by risk owners.
- The Chief Risk Officer will monitor and report at regular intervals throughout the year to Executive Officers on actions to manage risks and changes in risks identified and will report to the Board and Audit Committee at least twice a year and as required.
- A centralised approach to incident management will be developed to provide the Board with assurance of the oversight, resolution and remediation of all incidents recorded across the University.

All current Risk Management process can be found on the following link - Trinity College Risk Management Office - Home ([sharepoint.com](#)).

11) Review of the University Risk Management Policy

The University Risk Management Policy will be reviewed by the Risk Management Group, Executive Officers Group, Audit Committee and Board on an annual basis or as required to ensure that it remains fit for purpose and reflects the requirements of the University.