



Trinity College Dublin

Coláiste na Tríonóide, Baile Átha Cliath

The University of Dublin

TRINITY COLLEGE DUBLIN
RISK MANAGEMENT POLICY

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1. Context

1.1 Trinity College Dublin 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:

- I. The 1997 Universities Act
- II. Joint HEA (Higher Education Authority) & IUA (Irish Universities Association) report on the governance of Irish Universities 2007.
- III. Revised code of practice for the governance of state bodies 2016.
- IV. Code of Governance for Irish universities 2019.
- V. ISO 3100 Risk Management Principles and Guidelines, and
- VI. Higher Education Authority Act 2022

1.3 The Policy asks all staff members of Trinity to consider their environments and work to ensure Trinity 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;

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

3. Benefits

3.1 The University recognises that the application of risk management is an essential element of good governance and will benefit the University in achieving its stated objectives. Specifically, the rigorous analysis and management of uncertainty will assist the University in ensuring that threats are mitigated whilst building opportunity advancement across the University.

4 Scope

4.1 This Policy covers all areas across the University and their respective activities including major infrastructural and research projects or institutes and is advocated by the Board and all its Subcommittees.

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

5 Principles

The key purpose of the Risk Management Policy is to detail a system of risk management that can assist the University in effectively identifying, assessing, 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 and the requirements as outlined in the Higher Education Authority Act 2022, as incorporated into the Risk Management Framework currently in place in the University.

6 Policy

6.1 Risk Management Framework

6.1.1 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.

6.1.2 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.

6.1.3 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.

6.1.4 The Risk Register is one of the key tools used to facilitate ongoing monitoring and reporting of risks and controls arising from the University's activities. The Risk Register is a dynamic document, whose four main activities are:

- I. Record risks
- II. Facilitate risk assessment
- III. Monitor and review risks
- IV. Generate risk reports based on standardised templates

All areas across the University are encouraged to formally record and document their risks within the risk register.

6.1.5 The Risk Management Framework outlines the process of measurement of risk, see Appendix I. These ratings have defined limits of measurement and are assessed based on experience, incident and other environmental factors deemed relevant by the area experts. The process of measuring the risk of likelihood and impact is considered between the ratings of 1 to 5. Inherent Risk is defined as the risk without controls whilst Residual Risk is assessed against the effectiveness of the controls managing the risk.

6.1.6 The Risk Management Framework provides the tools intended to help manage risk, they are outlined in the Risk Management methodology to dealing with risk.

- V. Step 1: Establish the Context and Identify Risk
- VI. Step 2: Analyse the Risk
- VII. Step 3: Measurement and Evaluation
- VIII. Step 4: Management and Treatment of the Risk

6.2 Risk Profile

6.2.1 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 current risk categories include:

- I. Research
- II. Teaching and Learning
- III. Compliance
- IV. Financial
- V. Operational
- VI. People and Culture
- VII. Reputational
- VIII. Strategic

6.2.2 The University must ensure that it can adequately address these risks as they arise and ensure a contingency or action plan is in place. Depending on the material changes that may arise to the risk categories identified, a risk mitigation plan will be implemented.

6.2.3 Through the review and development of key Risk indicators (KRI's) it is anticipated that these will provide indications of pressure points where preventative action may be initiated.

6.2.4 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.

6.3 Risk Appetite

6.3.1 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.

6.3.2 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.

6.3.3 It is understood that risk is a necessary part of doing business¹, however it is critical that a Risk Appetite Statement is in place and forms the basis of decision-making processes across the University.

6.3.4 The University recognises that 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.

6.3.5 As the University continues to review and develop both operational and academic KRI's

¹ Risk Management ISO 31000 2018 -
<https://www.iso.org/files/live/sites/isoorg/files/store/en/PUB100426.pdf>

that support and guide the day-to-day implementation of the overall Strategic Plan 2020 -2025. These KRI's will support the management of risk throughout the University.

6.3.6 The University will review its Risk Appetite annually considering changing circumstances in its wider environment and in its capacity to bear risk.

7 Responsibilities

7.1 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 are responsible for supporting the delivery of effective risk management practice within their area.

7.2 The governance of the University lies with the Board. Governance is the system by which the University is directed and controlled 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. The Senior Leadership in each Faculty, School, Division and Research Institution will assume ultimate responsibility for the management of their risks, including the overall responsibility for their day-to-day management.

This includes

- I. The Board,
- II. Provost
- III. Risk Management Group,
- IV. Risk Management Function
- V. Audit Committee
- VI. Internal Audit
- VII. All staff

The roles and responsibilities are fully described and documented in Appendix II.

8 Risk Management Process implementation

8.1 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 the 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 the 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 of the University.
- 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.

9 Review of the University Risk Management Policy

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

Risk Measurement

LIKELIHOOD MEASURES			
Likelihood	Rating	Probability	Description / Frequency
Rare	1	≤10%	Very unlikely. Unlikely to occur more often than one in every five years.
Unlikely	2	>11% to 34%	Unlikely to occur. Risk could occur more often than one in every five years, but less than one in every two years.
Possible	3	>35% to 55%	Possible. Risk could occur more often than one in every two years but less than one year.
Likely	4	>56% to 80%	Likely. Could occur more often than once a year but less than quarterly.
Almost Certain	5	>81%	Highly likely. Could occur more often than monthly.

IMPACT		
Likelihood	Rating	Description
Negligible	1	Little to no action required, there may be some internal communication warranted but little to no communication to outside stakeholders.
Minor	2	Slight or small impact on the University process, disruptive but does not threaten the fundamental objectives of the University. There may be some stakeholder concerns resulting from this risk.
Moderate	3	Medium impact to process time, cost and/or quality. There may be stakeholders who express concern and may require Trinity communications to issue media materials.
Serious	4	Major impact or threat to process i.e., cost, time and/or quality, and may require significant effort to mitigate. There are major stakeholders who express concern and Trinity Communications or nominated person will have to speak to the media, as necessary. Confidence in the University is damaged.
Critical	5	This will stop or prevent the process meeting its objectives. This could result in HEA supervision and impacts at Senior Leadership. All stakeholders are seriously concerned, and Trinity Communication's will have to speak to the press. Confidence in the University is seriously damaged

Risk Matrix

The likelihood score is then multiplied by the impact score to give an overall score ranging from 1-25. Risk scores are indicative and can be plotted on the heat map below to determine the severity of the risk and indicate the overall risk status.

RISK RATINGS		Impact / Consequence				
		1	2	3	4	5
Likelihood	1	LOW	LOW	LOW	LOW	LOW
	2	LOW	LOW	LOW	Medium	Medium
	3	LOW	LOW	Medium	Medium	Medium
	4	LOW	Medium	Medium	High	High
	5	LOW	Medium	Medium	High	High

RISK RATING		
LOW	0 TO 7	The Risk is under control and represents no immediate threat or impact
MEDIUM	8 TO 15	The Risk has the potential to move High. It needs to be managing and close monitoring but there is no immediate threat, which would have a significant impact.
HIGH	16 TO 25	The Risk requires active management, and its impact would be significant.

The following functions have specific risk management roles as set out below:

The Board

The Board has responsibility for overseeing the management of risk within the University as a whole. The responsibility of the Board is to:

- 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.
- Setting Strategic Plan 2020-2025.
- Setting and implementing an effective governance structure.
- Implementing by example, the desired culture within the University, e.g., "tone at the top."

The Provost

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 Risk Management Group (RMG)

The Risk Management Group whilst the operational arm of the Executive Officers Group (EOG) in terms of the implementation of the Risk Management Framework is also responsible for guiding the Risk Management Function subject to direction by the Provost, EOG and Board as appropriate. The responsibilities of the Risk Management Group chaired by the Chief Risk Officer, are summarised as follows:

- The RMG oversees the development, implementation and maintenance of the Risk Management Framework across the University and is responsible for:
- Recommendations to the Board regarding the University's strategy and policy for risk assurance, systems and monitor its adoption throughout Trinity. the University.
- Ensuring that an effective Risk Management Framework is established and maintained with appropriate:
 - I. Identification, measurement, and control of risk exposures.
 - II. Internal systems and controls that contribute to the aims of the University and meets the expectations of the supervisory body, Higher Education Authority (HEA) and any other interest-ed parties.
- Review and recommend changes to the University's Risk Register.
- Review any risk findings of the relevant supervisory body and internal/external audits of risk assurance and Senior Leadership's response.
- Review all reports from consultants, advisors, auditors, and other such professionals which cover internal controls and risk issues that may, from time to time, be commissioned by the Senior Leadership or by the Chief Risk Officer.
- Review information presented in Financial Statements relating to Risk Management policies and key risk exposures to ensure accordance with statutory requirements and financial reporting standards.
- Guide and oversee the development of the Trinity Fraud Policy.
- Identify risks, analyse, and agree the level of risk categorisation of those risks as presented to them.
- Promote the ongoing enhancement of risk management processes across the University.

Risk Management Function

The Chief Risk Officer is responsible for the management and direction of the Risk Management Function, its programme of work and the delivery of the Risk Management Framework for the University. The Chief Risk Officer reports on the University risk profile and supporting information to enable informed risk taking and strategic decision making to Senior Leadership, the Board, and the Audit Committee, as necessary. The Risk Management Function facilitates and coordinates risk management activity across the University. The Risk Management function programme of work prepared by the Chief Risk Officer, is reviewed annually by the Provost and includes:

- The facilitation and coordination of Risk Management activity across the University and reports to the RMG, Board, Audit Committee and Provost, as necessary.
- Proposing risk management strategy, principles, framework, and policy.
- Implementing the agreed risk management culture, processes, methodologies, and risk language throughout the University, and subsequently monitoring their effectiveness.
- Implementing agreed Risk Management processes, developing, and distributing tools, techniques, methodologies, common risk language, Risk Management Framework, analysis, reporting, communications, and training.

- Assist the Board in the production and monitoring of the Risk Appetite Statement, supported by relevant training and communicating the Risk Appetite Statement across the University
- Facilitating risk assessments to ensure that all existing, New and Emerging Risks are appropriately captured and managed.
- Maintaining and developing strong relationships with all departments of the University, advising and coaching Faculty / school / units across the University on Risk Management and enhancing the overall risk awareness within the University.
- Developing and updating of risk policies, the University Risk Register and incident management.
- Identifying, developing, and updating, Risk Tolerances and key risk indicators ('KRI's'), and mitigating actions, and escalating issues where appropriate.
- Keeping abreast of industry Risk Management best practices/techniques and regulatory developments.
- Liaising with the University's Internal Audit Function.
- Reporting on aggregate risk profile, control effectiveness and corrective actions taken.
- 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.
- Consider the University Emergency Plan on an annual basis and the University Business Continuity plans that are in place across the University.
- Enhance incident management processes and procedures to develop reporting and analysis of risk management outcomes.
- Attendance by the Chief Risk Officer at relevant subcommittees of the Board, Audit Committee, and other internal University Committees to maximise delivery of resilient risk mitigation strategies as necessary

Heads of function /Heads of faculty / Chief Officers and Executive Officer

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 approve Risk Register(s) in their areas of responsibility.
- Advise the Risk Management Group and Chief Risk Officer 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.
- Identifying, assessing, and accepting risks in conjunction with support from the Risk Management Function.
- Designing, operating, and monitoring suitable internal controls.
- Operating within set Risk Appetite & Tolerances.
- Ensure that all applicable risks are known by all staff within the University.
- Managing and reviewing risks and controls on a regular basis.

- Following policy for Risk Management.
- Operating within set Risk Appetite & Tolerances.
- Advising the Risk Management of all known and potential risks and risk incidents.
- Ensuring that all applicable risks are known by all staff within their area.

Audit Committee

The Audit Committee is responsible for noting in its meeting pack any papers that the RMG are submitting to the Board. 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

All Staff

Every person who engages in university activities is impacted in some way by risks, so every person has an active role in being 'risk aware' and work individually and collectively towards the active promotion of a positive risk management culture within and across the University.

- All staff are expected to maintain an appropriate level of awareness of risks and contribute to the risk management process.
- This involves identifying, assessing, and managing risks and opportunities in day-to-day decision-making, Strategic planning, understanding, and adhering to the reporting process within the University's governance framework.

