Risk Management Policy

Version number	3
Approved by	Corporate Governance Board
Date of approval	05/02/2018

Purpose

Sydney Institute of Higher Education (**SI**) is committed to implementing effective risk management processes across all higher education operations. SI recognises that risk and uncertainty can never be entirely eliminated, however, effective risk management processes can work to mitigate the negative effects of any risks that may occur. SI must ensure that risk management processes are integrated throughout its governance structures and planning and review procedures.

The purpose of the *Risk Management Policy* is to outline the processes through which SI will manage risks to its operations. The policy will define SI risk identification and recording processes, highlighting the *Corporate Governance Board* and the *Academic Board's* responsibilities in monitoring and effectively safeguarding against uncertainty and risk. The policy will also define how SI internal, external and program review processes will be used to identify and manage risk and uncertainty with regards to SI academic operations.

Scope

The *Risk Management Policy* applies to all of SI current and planned operations, and all individuals involved whether they are SI staff, students or visitors.

Principles

Risk management is a key process of all planning and decision-making procedures at SI.

All risk management processes will be implemented to improve SI operations in line with the SI strategic objectives.

All risk management processes will be conducted in a transparent manner in order to facilitate open lines of communication at SI.

All risks at SI will be identified and managed and all staff will be aware of risk management processes relevant to their roles.

Responsibility for risk management processes at SI will be clearly defined and designated.

SI will ensure that all risk management processes are flexible in order to adapt to any risks to SI.

Procedures

The SI risk management framework will be embedded within the strategic planning activities of SI. The risk management framework will, therefore, be integrated across all levels of the SI, and will align with SI:

- Strategic Objectives – SI risk management framework must align with its defined strategic objectives as per the current SI *Strategic Plan*.
- Operational Objectives – SI senior management must embed the SI risk management framework within operational objectives and actions, both long term and short term.

Embedding risk management processes into SI strategic objectives enables SI to take a proactive approach to risk that is crucial to the continuity of SI's operations.

Responsibilities

Corporate Governance Board

The *Corporate Governance Board* is responsible for the regular monitoring of risks and uncertainties with regards to SI overall operations.

Risk management will be on the agenda of all the *Corporate Governance Board's* meetings, during which the *Corporate Governance Board* will:

- Review all risk management processes, including all monitoring and mitigation strategies
- Delegate appropriate risk management responsibilities
- Review all delegated risk management responsibilities
- Review any instances where a risk eventuated, was identified or mitigated in the preceding period. The *Corporate Governance Board* will assess SI monitoring/mitigation processes with regard to each specific risk.
- Identify corrective actions needed to address the underlying causes of known risks.

Audit and Risk Committee

The *Corporate Governance Board* delegates responsibility for monitoring and advising the Board on risk management to the *Audit and Risk Committee*.

The *Audit and Risk Committee* must:

- Provide advice on and oversee the implementation of the SI *Business Continuity Plan*
- Identify, establish mitigation strategies for, and monitor risks
- Develop and maintain a detailed *Risk Register*
- Ensure that staff are trained in critical incident management procedures and day-to-day risk management responsibilities
- Provide regular reports and advice to the *Corporate Governance Board* about a broad range of risks at SI, particularly risks of non-compliance with the *Threshold Standards 2021*
- Respond as necessary to requests from the *Corporate Governance Board* for advice, policy amendment, or other work as needed.

Academic Board

The *Academic Board* is responsible for risk management in relation to academic quality and integrity. The *Academic Board* will take preventative action to mitigate against the following academic misconduct risks:

- Misrepresentation
- Fabrication
- Cheating
- Plagiarism
- Misuse of intellectual property

For more information refer to the SI *Academic and Professional Integrity Policy*.

The Academic Board will undertake extensive program reviews on a five-yearly basis. For each program the review will examine the:

- Design and content of each program
- Expected learning outcomes
- Assessment methods
- Extent of students' achievement of learning outcomes
- Innovations introduced over the review period
- Program performance metrics, including:
    - Application and enrolment numbers
    - Progression data
    - Assessment outcome data
    - Quality of teaching feedback
    - Results of benchmarking projects with other higher education providers
- Developments in modes of delivery
- Changing needs of students
- Risks posed to the quality of the program

This information will be used to inform risk management processes as they relate to academic matters.

For more information regarding program reviews refer to the SI *Program Review and Continual Improvement Policy*.

SI Staff

All SI staff have a responsibility to mitigate risks that may eventuate during their employment to the best of their ability. All staff should report any risks or prospective risks to the *Audit and Risk Committee* upon discovery.

If a risk is deemed a critical incident, then the procedures outlined in the *Critical Incident Response Policy* should be followed.

Key processes

Maintenance of Risk Register

The *Audit and Risk Committee* will develop the *Risk Register*, which will be approved and periodically reviewed by the SI *Corporate Governance Board*.

The *Risk Register* will:

- Provide a comprehensive record of risks to SI's higher education operation
- Outline risk characteristics
- Outline each risk's rating according to the likelihood of occurrence and potential impact on key operations
- Outline risk management strategies for each risk.
- Outline recovery strategies for the eventuality that risk occurs

For the current *Risk Register*, refer to the current SI *Business Continuity Plan*.

Internal Auditing

The *Audit and Risk Committee* will conduct an internal audit once per year of the *Risk Register* and SI risk management framework. The audit will:

- Examine the effectiveness of the SI risk management processes
- Ensure all risks and their effects are effectively categorised and managed
- Identify any new or prospective risks

The findings of the audit will be communicated to the *Corporate Governance Board*, who will take appropriate action based upon its findings.

Delegations of authority and Conflicts of Interest

The handling of delegations of authority and conflicts of interest at SI are essential aspects of risk management, as they mitigate the risk of:

- The breakdown of management structures, including reporting and communication lines
- Instances of fraud and corruption
- Instances of human error in documentation and decision-making

For more information on these processes, see the *Delegations of Authority Policy* and *Conflict of Interest Policy*.

Policy Implementation and Monitoring

The *Corporate Governance Board* delegates responsibility for the day-to-day implementation of this policy to the *Audit and Risk Committee*.

The *Audit and Risk Committee* will review all periodic reports from relevant committees and staff members, in accordance with the *Compliance Calendar*.

Additionally, the *Audit and Risk Committee* will review all relevant student complaints, concerns raised by staff members, and instances of student or staff misconduct in accordance with the *Compliance Calendar*.

Based on these monitoring activities, the *Audit and Risk Committee,* in accordance with the *Compliance Calendar*, must provide a report to the *Corporate Governance Board* and ensure that findings are taken into account in planning, quality assurance and improvement processes.

Definitions

Business Continuity Plan: a document that determines and evaluates the risks to key SI operations and established risk mitigation strategies and recovery plans accordingly.

Corporate Governance Board: The SI governing body responsible for the oversight of all SI operations, including the direction-setting, quality assurance, monitoring, and improvement of academic and non-academic operations. It delegates responsibility for academic matters to the *Academic Board*.

Conflict of interest: A situation in which an individual stands to gain personal benefits if they exercise their authority in a position or body to obtain a particular result.

Delegation of authority: A shift of decision-making authority from one position or body within SI to another lower position or body. The higher position or body remains accountable for the outcomes of the duties that it delegates.

Risk: the threat of uncertainty over the achievement of objectives.

Audit and Risk Committee: A committee dedicated to overseeing risk management, processes at SI, under delegated authority by the *Corporate Governance Board*.

Risk Register: A document that identifies risks to core SI operations and establishes risk management strategies appropriate to the scale and likelihood of each risk.

Strategic Plan: A document that outlines SI's strategic direction and objectives for a five-year period, identifies strategies to achieve these objectives, and establishes measures for success for evaluation at the end of the five years.

Review Schedule

This policy will be reviewed by the *Corporate Governance Board* every three years.

Version History				
Version number:	Approved by:	Approval date:	Revision notes:	Next review date:
1	Corporate Governance Board	4/09/2017		
2	Corporate Governance Board	16/10/2017		
3	Corporate Governance Board	05/02/2018		05/02/2021

Related Documents

➦	🗋	Academic and Professional Integrity Policy
➦	🗋	Anti-Fraud and Corruption Policy
➦	🗋	Conflict of Interest Policy
➦	🗋	Program Review and Continual Improvement Policy
➦	🗋	Critical Incident Response Policy
➦	🗋	Delegation of Authority Policy
➦	🗋	Financial Management Policy
➦	🗋	Risk Register
➦	🗋	Business Continuity Plan
➦	🗋	Strategic Plan
➦	🗋	Audit and Risk Committee - Terms of Reference
➦	🗋	Academic Board - Terms of Reference