

LIVERPOOL HOPE UNIVERSITY
Risk Management Policy and Procedures

PREFACE

A dramatic illustration of the unpredictability of God-given life was drawn by Jesus: “The wind blows where it chooses, and you hear the sound of it, but you do not know Where it comes from or where it goes. So it is with everyone who is born of the Spirit” (John 3 verse 8)

He was indulging in a pun because in the language he spoke ‘wind’ and ‘spirit’ are the same word. Anyone who has chased revision notes which are being blown every which way in the wind will know just how unpredictable the wind can be. You dart one way and the notes blow another! This vivid image is a metaphor of life given by the Spirit of God. It is an adventure, the opposite to routine, predictability and boredom.

The implication of the phrase ‘risk management’ is that risk is inherently negative, something bad that has to be tamed and controlled. It does not capture the idea that risk is also creative and lively and lies at the heart of all human endeavour. St Paul tells us that God engages in the world and answers our prayers beyond our dreams and imaginings. Here is an invitation to think the unthinkable and pray beyond the boundaries of previous experience.

This is not to say that every risk is virtuous. Clearly there can be bad and destructive risks. But it does acknowledge that if we are open to the God of Surprises we will be led in creative ways that are new and go beyond the familiar territory that we inhabit. We have been made in the image of God who took the greatest risk of all in creating us with the endowment of free will.

We welcome the tenor of this Risk Management Strategy because it recognises that there are positive elements in risk-taking.

† James
Bishop of Liverpool

† Patrick
Archbishop of Liverpool

1. Purpose of the Risk Management Policy

Liverpool Hope University recognises the need to manage risk in order to be able to meet its strategic goals and to thrive as a teaching-led, research-informed University.

Managing risk effectively gives the University the confidence to seize development opportunities whilst providing an assurance that the sustainability of the University is protected.

In its guidance to the HE sector, HEFCE states that “[i]n the best-run organisations, risk management is synonymous with good management and good governance. It is not considered as a bolt-on to existing practices, or a separate exercise simply to meet regulatory requirements” (para 5, HEFCE/PWC report on Risk Management in Higher Education, HEFCE 05/11). However, it is part of the Financial Memorandum between HEFCE and HEIs that “[t]he governing body of each higher education institution (HEI) must take reasonable steps to ensure that there are sound arrangements for risk management, control and governance, and for economy, efficiency and effectiveness (value for money), within the HEI.”

This Risk Management Policy provides the Framework through which the University Council receives assurance that the Rectorate Team is managing risk effectively.

2. Approach to Risk Management

The following key principles outline the University’s approach to risk management:

- i. The University Council has responsibility for ensuring the oversight of risk management within the University
- ii. The Rectorate Team manages risk on a daily basis in line with the agreed strategic objectives of the University
- iii. All managers are responsible for encouraging good risk management practice within their departments/units
- iv. A corporate risk register will be maintained and monitored
- v. The University Secretary is accountable to the Vice-Chancellor for the operation of this policy

3. The Risk Management Process

3.1 Each operational area of the University (overseen by members of the Senior Management Team) will maintain a risk register for their area of responsibility

3.2 At the October, February and May meetings of Senior Management Team, those registers will be received for reports on the additional control measures proposed at earlier meetings and to share best practice

3.3 At the Rectorate Team immediately following the SMT above, a collated corporate risk register will be considered

3.4 At each meeting of Audit Committee, the Corporate Risk Register will be presented along with (i) extracts from senior management meetings of discussions of risk and (ii) a report on how a particular risk has been managed

3.5 At the July meeting of Council, the Corporate Risk Register will be presented along with the minute from Audit Committee

3.6 At the Annual General Meeting of Council, normally in November, reports from Internal Audit, External Audit and Audit Committee will be received to provide Council with the assurance on the effectiveness of arrangements for risk management.

4. **Operational aspects of the process**

4.1 A template risk register is appended to this policy and should be used by all managers in order to ensure consistency of approach.

The columns should be completed as follows:-

Risk – identify the risk. The risk should be clear and unambiguous and time bound, if appropriate

Control measures/mitigation - specify what is already in place

Senior Management responsibility – list all managers who have responsibility

Likelihood - rank from Low, Medium or High (L, M, H) the likelihood of the risk materialising

Impact – rank L, M, H the impact on the University if the risk materialises

Gross risk rating rank the overall risk to the University (L,M, H) **before** the additional measures.

Additional measures required list any measures which should be put in place to reduce the likelihood or the impact of the risk occurring and should be clear and unambiguous. These should have an implementation date

Residual risk rating - rank the overall risk to the University (L, M, H) **after** the additional measures are taken into account. This will generate the risk ranking but **IS NOT AN EXACT SCIENCE AND JUDGEMENT SHOULD BE USED.**

4.2 Each Rectorate Team member is responsible for dissemination of the local risk registers to their teams.

4.3 Each Rectorate Team member is responsible for ensuring that new risks are assessed and added to the register as necessary

4.4 The University Secretary is responsible for the maintenance of the Corporate Risk Register which will not be published for commercial reasons. The maintenance will include updating the

Corporate Risk Register between meetings if assurance, audit or inspection reviews necessitate it or for other urgent reason. Such updating will be notified to Rectorate Team.

Liverpool Hope University
[Your area's] Risks [date]

Ranking	Risk	Control Measures/Mitigation	Senior Management Responsibility	Likelihood	Impact	Gross Risk Rating	Additional Measures Required	Residual Risk Rating
				H/L/M	H/L/M	H/L/M		H/L/M