



**QUEEN'S
UNIVERSITY
BELFAST**

Risk Management

Policy and Procedures

POLICY SCHEDULE	
Policy title	Risk Management Policy
Policy owner	Director of Finance/Registrar and Chief Operating Officer
Policy lead contact	Mrs Anne McLaughlin, Interim Director of Finance
Approving body	Audit Committee
Date of approval/review	4 th October 2018
Related Guidelines and Procedures	Whistleblowing Policy, Anti-Fraud Policy, Bribery & Corruption Policy, The Register of Interests Policy and The Acceptance of Gifts, Gratuities and Hospitality Policy.
Review interval	Annual

1. PURPOSE OF THIS DOCUMENT

- 1.1 This Risk Management Policy (the policy) forms part of the University's internal control and corporate governance arrangements.
- 1.2 The Policy explains the University's underlying approach to risk management, documents the roles and responsibilities of Senate, the Audit Committee, the Risk Management Committee and University management. It also outlines key aspects of the risk management process, and identifies the main reporting procedures.
- 1.3 In addition, it summarises the process which Senate will use to evaluate the effectiveness of the University's internal control procedures.

2. UNDERLYING APPROACH TO RISK MANAGEMENT

- 2.1 The following key principles outline the University's approach to risk management and internal control:

- Senate has responsibility for maintaining a sound system of internal control which supports the University's policies, aims and objectives. The system of internal control is based on an ongoing process designed to identify, evaluate and manage the principle risks to the University.
- An open and receptive approach to identifying and managing risk is adopted by Senate, Committees of Senate and University management.
- The Audit Committee is responsible for reviewing the effectiveness of the University's risk management, control and governance arrangements and, in particular, to review the External Auditor's Annual Report to Audit Committee and the Internal Auditors Annual Report and management responses. The Audit Committee receives reports from the Risk Management Committee (RMC) which enables it to report to Senate regarding the effectiveness of the University's risk management arrangements.
- The RMC oversees the University's risk management arrangements ensuring that programmes and procedures are undertaken in such a manner as to minimise the exposure to the University to unacceptable levels of risk.
- Responsibility for the management of the majority of the University's risks rests with the members of the University Operating Board (UOB), thus reflecting the need for risk to be embedded within the management structure.
- The UOB considers new and emerging risks at each of its meetings in the year.
- Early warning mechanisms are in place and monitored to alert management so that remedial action can be taken to manage any potential hazards.
- Faculty Pro Vice Chancellors, Heads of Schools, Directors, and management within the University's related companies, are responsible for encouraging good risk management practice within their areas.

- 2.2 The policy also applies to the University's related companies. A related company is defined as any entity where the institution has or exercises a substantial degree of influence over that related company's activities. This may include situations where a related company is not a subsidiary undertaking, as defined by the accounting standards, but where the relationship between the institution and that company is such that the guidelines may still be applicable, for example a joint venture or partnership etc. The related companies of the University are currently:

- QUBIS Ltd.
- The Queen's University of Belfast Foundation Ltd.

- Queen's Overseas Recruitment Ltd.
- Queen's Composites Ltd and NIACE Ltd.

The University's joint ventures are currently:

- INTO Queen's LLP
- NI Composites O & M LLP

3. ROLES AND RESPONSIBILITIES

3.1 The key points are as follows:

- Senate has ultimate responsibility for ensuring an effective risk management process is in place and is regularly reviewed.
- As outlined above (Section 2.1) the Audit Committee is responsible for reviewing the effectiveness of the University's risk management, control and governance arrangements.
- The RMC is responsible for developing, agreeing and maintaining this Policy; co-ordinating and promoting risk management throughout the University; monitoring the management of the University's Corporate Risks and ensuring that there are sufficient actions plans in place to remedy any weaknesses identified; and identifying new or emerging risks within academic or academic support areas and ensuring that these are being actively managed.
- Management is responsible for ensuring there is an embedded risk management process in their area of responsibility which is regularly monitored.
- Internal Audit's role, in scoping their annual programme of work to encompass key risk areas, is to provide assurance to the RMC and Audit Committee that the process is operating effectively.

3.2 Role of the Senate and the Risk Management Committee:

3.2.1 While Senate retains ultimate responsibility for ensuring that there is an effective risk management process in place, it is the responsibility of the RMC to ensure that this responsibility is discharged and that effective and efficient systems are being operated.

3.2.2 The RMC will:

- determine the University's approach to risk management;
- discuss and approve issues that significantly affect the University's risk profile or exposure;
- continually monitor the management of significant risks and ensure that actions to remedy control weaknesses are being implemented; and
- annually review the University's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

The RMC reports to the Audit Committee after each meeting (three times per year).

Membership of the RMC is as follows:

- Registrar and Chief Operating Officer (Chair)
- Director of Estates
- Director of Finance
- Director of Academic and Student Affairs

- Director of Human Resources***
- Director of Information Services
- Director of Student Plus
- Director of Marketing Recruitment Communications and Internationalisation (MRCI)
- Director of Research and Enterprise
- Pro-Vice-Chancellor (Education and Students)
- Pro-Vice-Chancellor (Research and Postgraduates)*
- Faculty Pro-Vice-Chancellor (Medicine, Health & Life Sciences)**
- Faculty Pro-Vice-Chancellor (Arts, Humanities & Social Sciences) **
- Faculty Pro-Vice-Chancellor (Engineering & Physical Sciences) **

* Also Chair, Research Governance Steering Group and Health and Safety Management Group.

** Director of Operations may attend in the absence of the Faculty Pro-Vice-Chancellor

***Occupational Health reporting responsibility

It is imperative that all members attend the Committee. In the event of someone being unable to attend, an appropriate representative from the business area should attend.

A senior representative from the Internal Auditors attends the RMC and offers sectoral risk advice.

3.3 Role of Audit Committee

The Audit Committee is required to report to Senate on internal controls and to alert Senate members to any emerging issues. In addition, as the Audit Committee oversees both Internal Audit and External Audit, it is, therefore, well placed to provide advice on the effectiveness of the internal control system, including the University's system for the management of risk. In reviewing the effectiveness of the internal control systems, the Audit Committee will consider various sources of information, including, but not limited to, the following:

- the Internal Auditor's Annual Report which includes their opinion on the adequacy and effectiveness of the University's system of internal control together with recommendations for improvement;
- the External Auditor's Annual Report to Audit Committee which will include details of any control weaknesses identified as part of the audit process; and
- specific Internal Audit reports containing recommendations, regarding the improvement of the control framework, and management responses to these recommendations.

3.4 Role of Management (within the University and related companies)

Management's role in the risk management process includes responsibility for:

- implementing policies on risk management and internal control;
- identifying and evaluating the significant risks faced by the University/Faculty/ Professional Services Directorate/School related company for consideration by the RMC, Audit Committee and/or Senate, as appropriate;
- provision of adequate information, in a timely manner, to the Finance Directorate, RMC and UOB, as appropriate, on the status of risks and controls; and

- undertaking a regular review of the effectiveness of the system of internal control within their area and addressing any weaknesses identified and/or alerting senior management to such weaknesses, notifying risk@qub.ac.uk when appropriate.

3.5 Internal Audit

Although risk management and internal control are management's responsibility, Internal Audit clearly also has an interest in effective internal control. Internal Audit's primary objective is to provide independent assurance on the effectiveness of the internal control framework (and therefore risk management) to the Audit Committee. It does this by carrying out audits across the Schools, Directorates and related companies, focusing on the key risks in the University. Internal Audit attends the RMC meetings and will use the output from the risk management process to direct its efforts.

3.6 External Audit

External Audit provides feedback to the Director of Finance and Audit Committee on the operation of the internal financial controls reviewed as part of the annual audit completed within the University and related companies.

3.7 Quality and Assurance Control Systems and Programmes

All the University's quality and assurance control systems and programmes form an important element of the overall internal control process.

3.8 Third Party Reports

To increase the reliability of the internal control system, from time to time, the use of external consultants may be necessary in areas such as risk management, health and safety, information technology and human resources.

4. CORPORATE RISK REGISTER

- 4.1 The University needs to ensure that all significant risks are identified and evaluated on an ongoing basis. To this end, a Corporate Risk Register is maintained and available at the following link: <http://www.qub.ac.uk/about/Leadership-and-structure/Registrars-Office/Policies/> The Corporate Risk Register is firmly embedded in the University with a review being completed at each RMC meeting and a Risk Management Action Plan being provided for each risk.

All Schools, Directorates and related companies are required to maintain a Risk Register which is updated on a bi-annual basis. The Risk Registers are subsequently reviewed with a summary report by each Faculty and by Professional Services and considered by the RMC, highlighting key issues including all new and highly scored risks, being prepared. Furthermore, at each fortnightly UOB meeting a schedule of new and emerging risks is considered. UOB will consider if there are any new risks to be added to the Emerging Risk Schedule (the Schedule) and if those on the Schedule are being appropriately managed.

5. FORMAT OF THE RISK REGISTER

- 5.1 Faculties and Professional Services management should ensure that all Directorate and School risk registers should follow the same format as the Corporate Risk Register. In order to ensure that all Schools and Directorates are focused towards the achievement of the Strategic Priorities, contained within the Corporate Plan 2016 - 2021, <http://www.qub.ac.uk/corporate-plan/> risks are identified and categorised according to one of the Strategic Priorities (Education and Students; Research; Innovation and Impact) or Enablers (People and Culture; Infrastructure; Funding and Governance). The format will be adapted to reflect any movements in the University's Strategic Priorities as reflected in future Corporate Plans.
- 5.2 Related companies will have their own objectives contained within their individual Business Plans and, as such, they are not expected to follow the same format as the University regarding the categorisation of their risks.
- 5.3 For each risk identified there should be a completed Risk Management Action Plan, a proforma of which has been provided at Annex A (Related company proforma held at Annex B). The Action Plan should be used to document all the key information in relation to the risk, including the background to the risk and the controls and persons identified to manage it. The Action Plan, which also includes details of the gross and net impact and likelihood, should be updated on a regular basis, particularly with regard to the status report for improvement actions. Each of the risks should be summarised in the format of the Risk Register provided at Annex C. At Annex D the definitions of the terminology referred to in the Risk Management Action Plan have been summarised.

6. RISK SCORES

- 6.1 Once risks have been identified, an assessment needs to be made regarding the impact and likelihood of the risk occurring. In order to effectively rank identified risks, risk criteria, based on a materiality threshold, has been established. While it is recognised that aspects of the risk scoring process are subjective, a risk management scoring methodology has been provided at Annex E. From this it can be seen that Table 1 is used to determine the impact of the potential adverse outcome relevant to the risk being evaluated whilst Table 2 is to be used to determine the likelihood score of these adverse outcomes.
- 6.2 As noted above, the impact and likelihood of a risk occurring would be considered using Table 1 and 2 (at Annex D), as a guide. The gross risk is the level of risk faced by the University /Faculty / School / Directorate / Related Company before any internal controls are applied, whilst the net risk is the level of risk faced by University/ Faculty/ School / Directorate / Related Company after internal controls have been applied. The ultimate aim would be for all net risks to be included in the 'green zone' when the net score is plotted on the table below.

Likelihood / Impact	1	2	3	4
1	1	2	3	4
2	2	4	6	8
3	3	6	9	12
4	4	8	12	16
5	5	10	15	20

6.3 Further guidance has been provided, below, regarding the management of risks.

Score	Guide	Traffic Light
0 – 5 Low	Low level of risk, should not require much attention but should be reviewed at least twice per annum	Green traffic light
6 – 10 Medium	Medium level of risk, should be monitored and reviewed twice annually at a minimum	Orange traffic light
12 – 20 High	<p>High level of risk should be constantly monitored and reviewed quarterly or monthly, if necessary. These are the ‘top risks’ of the School / Directorate / University / Related Company and should be considered by the senior management team within the respective School/Directorate/Related Company.</p> <p>At a corporate level all risks within this score range will be considered by the Risk Management Committee at each meeting. In the intervening periods, the University Operating Board review and manage all key risks through the Emerging Risk Process.</p> <p>All corporate risks with a net score of 12 and above will be considered by the Audit Committee on a rotational basis.</p>	Red traffic light

Each risk should have only one traffic light colour. The traffic lights are defined as follows:

Green: The risk is under control and represents no immediate threat or impact. Consider your risk appetite and whether this risk could be removed from your risk register.

Orange: The risk has the potential to move to red. It needs managing and close monitoring but there is no immediate threat which would have a significant impact.

Red: The risk requires active management. It poses an immediate threat and its impact would be significant.

- 6.4 Risk Appetite is the consideration of how willing The University is to accept the risk. The British Standard BS31100 defines risk appetite as “the amount and type of risk that an organisation is prepared to seek, accept or tolerate”. In considering whether a risk remains or is removed from the risk register RMC should assess their appetite for that risk. If a business area has a low risk appetite the risk will not be accepted unless it is fully mitigated, if the business area has a high risk appetite, they are more willing to accept a high level of risk.
- 6.5 The University wishes to take appropriate risks to achieve a step change across its core areas of activity: learning and teaching and the student experience, research and business and engagement and operational effectiveness, but will of course adopt a more cautious or risk-averse attitude in matters of legislative and regulatory compliance to reduce exposures to the University’s reputation, its people and its other resources and assets.

7. RISK MANAGEMENT AS PART OF THE SYSTEM OF INTERNAL CONTROL

The University’s system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling the University to respond to a broad range of risks. These elements include:

<i>Policies and procedures</i>	Attached to significant risks are a series of policies and (where appropriate) procedures that underpin the internal control process. These policies are established by University management on behalf of Senate and are implemented and communicated by senior management to all staff.
<i>Reporting</i>	Regular reporting is designed to monitor key risks and their controls. Reports will also identify emerging risks and bring forward recommendations to improve and enhance internal controls.
<i>Corporate Planning process</i>	The University has developed a planning process to inform the overall Corporate Plan and to assist in the setting and agreement of strategic plans and policies to achieve the aims of the Plan. Risk assessment and management is part of this ongoing process and will assist the University in achieving those objectives.
<i>Risk framework and Corporate Risk Register (significant risks only).</i>	The risk management framework and risk register is managed /monitored by the RMC and helps to facilitate the identification, assessment and ongoing monitoring of risks significant to the University. The Corporate Risk Register is formally appraised at each meeting with emerging risks being considered, in the interim period, by UOB.
<i>Faculties/ Schools/ Directorates and Related Companies risk frameworks and risk registers</i>	Faculties/Schools/Directorates/Related Companies develop and use this framework to ensure that significant risks in their area are identified, assessed and monitored. Risk reports are also provided to the RMC, regarding Faculty/Directorate/Related Company risks, which are used to help identify additional corporate risks. Internally, Faculties/ Schools/ Directorates will maintain risk management as a key priority on their management meeting agendas.
<i>Internal Audit</i>	Internal Audit works with the University Management in scoping their annual plan of work to encompass key risk areas and help to identify emerging risks.

8. REVIEW/MONITORING/REPORTING PROCEDURES

- 8.1 In order to ensure that the risk management arrangements continue to be effective, there is an ongoing need for review, monitoring and reporting including:
- a regular review and update of the University's Corporate Risk Register;
 - adequate ongoing monitoring arrangements including the effectiveness of early warning triggers/indicators;
 - appropriate structures for review and update of the risk register;
 - regular reporting to appropriate management;
 - integration of risk management with the University and related company business planning process;
 - personal objectives and appraisal including a link to the management of certain risks;
 - key risk indicators are reported in regular reports with other performance measures through the academic planning arrangements;
 - focusing of internal audit to key risks identified in the risk management process;
 - reporting from the RMC to the Audit Committee to inform the annual report and accounts; and
 - assurance provided annually from Internal Audit to Audit Committee as to the effectiveness of risk management arrangements.
- 8.2 In summary, the roles, responsibilities and reporting requirements associated with risk management are as follows:

	Role	Reports To	Receives Reports From
Risk Management Committee (RMC)	To review the risks of the University and ensure that these are appropriately documented and managed.	To Audit Committee: Three times per annum	-Finance Directorate Update and summary of Corporate Risks in liaison with Lead Co-ordinator for each Corporate Risk. Three times per year Faculties, Professional Services, Related Companies Summary of risks Two times per year
Finance Directorate	To collate the Corporate Risk Register and consolidate Professional Services risks for presentation to the RMC.	To RMC: - Summary of the Corporate risks three times per annum. - Summary of the Professional Services and Related Company risks twice annually.	Lead Co-ordinator for each Corporate Risk Update risk three times per annum Directorates and Related Companies Updates twice annually
Professional Service Directors	To identify, manage and report on Directorate and Corporate risks.	To Finance: Update on Directorate Risk Register (to form part of Professional services report) twice yearly To Registrar's Group Update Directorate risks at least twice yearly	Key staff within Directorate: Updates as appropriate (at least twice annually) Note: Summary of discussions at RMC circulated within Directorates, twice yearly

	Role	Reports To	Receives Reports From
Faculty Pro-Vice-Chancellor	To identify, manage and report on Faculty risks.	To RMC Update on Faculty Risks twice yearly To Faculty Executive Board. Update Faculty risks at least twice yearly	Schools: Reporting at least twice yearly from Schools Note: Summary of discussions at RMC circulated within Faculty twice yearly
Heads of School	To identify manage and report on School risks.	Faculty Pro-Vice-Chancellor Update on School risk register at least twice yearly.	Key staff within School: Updates as appropriate (at least twice annually)
University Operating Board (UOB)	To manage the emerging risks of the University and ensure appropriate management.	To RMC: An emerging risk report to RMC three times per annum.	Directors/Faculty Pro Vice -Chancellors As appropriate to each UOB meeting.

8.3 The risks facing the University will continually change and there is therefore a need to review the content of the Corporate Risk Register, the effectiveness of the controls in place and the need for alternatives and improvements.

The review completed by the RMC, at each meeting, and the intervening consideration of emerging risks by UOB, as noted above at Section 2.1, should therefore include:

- assessment of the management of significant risks during the previous period including the effectiveness of controls in place;
- changes to the external environment that will change the risk profile and require amendment to the risk register;
- changes to the internal environment requiring amendments to the risk register;
- identification of emerging risks;
- identification of new controls required; and
- changes or improvements in the risk management process.

The ongoing review completed by the RMC enables the University to publish an appropriate statement on corporate governance as part of the statement of annual assurance. There is also a need for Senate (through the Audit Committee) to be assured that the risk management and internal control systems are working effectively. Internal Audit will provide an independent assessment of the effectiveness of internal control and will be informed by their ongoing programme of audit and by other independent assessments of the activities of the University e.g. REF.

Details of the University's corporate risks will also be communicated to the Senate on an annual basis, or more frequently, where there has been significant change in the University risk profile.

QUEEN'S UNIVERSITY, BELFAST

CORPORATE / FACULTY/ SCHOOL / DIRECTORATE – RISK MANAGEMENT ACTION PLAN

<u>Risk Title and Description:</u>			
<u>Risk Category:</u>		<u>Reporting Responsibility:</u>	
<u>Lead Co-ordinator:</u>			
Risk Matrix:			
		Gross	Net
Impact	1. Minor 2. Moderate 3. Serious 4. Very Serious 5. Extreme		
Likelihood	1. Low 2. Moderate 3. High 4. Very High		
Likelihood x Impact			
Current controls to manage risk:			
Further Actions to improve the management of the risk	Timescale for completion	Responsibility	Review Date
<u>Date Risk Management Action Plan reviewed</u>			

QUEEN'S UNIVERSITY, BELFAST

RELATED COMPANY – RISK MANAGEMENT ACTION PLAN ACTION PLAN

<u>Risk Title and Description:</u>			
<u>Risk Category:</u>		<u>Reporting Responsibility:</u>	
<u>Lead Co-ordinator:</u>			
Risk Matrix:			
		Gross	Net
Impact	1. Minor 2. Moderate 3. Serious 4. Very Serious 5. Extreme		
Likelihood	1. Low 2. Moderate 3. High 4. Very High		
Likelihood x Impact			
Current controls to manage risk:			
Further Actions to improve the management of the risk	Timescale for completion	Responsibility	Review Date
<u>Date Risk Management Action Plan reviewed</u>			

DEFINITIONS OF TERMINOLOGY INCLUDED IN RISK MANAGEMENT ACTION PLAN

Risk: “the threat or possibility that an action or event will adversely or beneficially affect an organisation’s ability to achieve its objectives”. The risk description needs to be clear and concise with the consequence / impact being identifiable. The risk should focus on the corporate impact / consequence. The reader needs to fully understand what the risk is and its impact on the University.

Risk Category: this is the Strategic Priority or Enabler to which the risk relates.

Lead Co-ordinator: this is the member of senior management who has ultimate responsibility for the risk. He/she should be different to the person with reporting responsibility.

Ultimately, the Vice-Chancellor, as the University’s Accounting Officer, has overall responsibility for managing the University’s corporate risks. In order to recognise devolved levels of responsibility, however, the Risk Management Action Plans, make reference to, inter alia, the identification of a ‘Lead Co-ordinator’. The role of the Lead Co-ordinator is to oversee the management of the risk in terms of ensuring that sufficient controls are in place, and that appropriate additional actions are identified and taken within reasonable time scales.

Reporting Responsibility: This is the person responsible for reporting on the risk to line management or one of the University’s core committees. This person needs to be proactive in managing the risk, for example, following up on the additional actions required to manage the risk etc.

At a corporate level, the person with reporting responsibility would normally be either a member of UOB, or the appropriate manager within the relevant related company. This person will be responsible for reporting to more senior management or the RMC / Audit Committee etc if the need arises.

Current controls to manage risk: those actions currently being completed within / outside the University, to help manage the risk, should be fully documented. The actions being taken to help ensure that the risk does not occur, and / or that if it does that the impact is reduced, should be clearly documented. It would also be useful to focus on the main / key controls in operation and remember that it is the quality of the control in operation and not the number of controls which is more important.

Further Actions to improve the management of the risk: The additional actions planned to help manage the risk further should be documented. These need to be clear and specific. When an action has been implemented, a decision should be taken regarding whether the current control section of the Risk Management Action Plan should be amended to reflect this. A clear timescale for the completion of the agreed action should be identified and monitored. This needs to be a realistic date in the future. Ownership of an action should be allocated to a member of staff. This person is responsible for helping to ensure that the action is implemented and reporting on why there has been any slippage in the agreed timescale, if appropriate. The implementation of the agreed actions need to be actively monitored / reviewed by management with any variations to either to agreed action or timescale being agreed by the person who has been allocated with reporting responsibility.

Date Risk Management Action Plan reviewed: the date that the Risk Management Action Plan was reviewed by management should be inserted.

RISK MANAGEMENT SCORING METHODOLOGY

Table 1: Impact Rating

Table 1 should be used to help with determining the impact score of the risk. In order to help with this process possible consequences / examples have been provided in the following areas:

- Objectives of the University /Faculty / Professional Services / School / Directorate / Related Company.
- Financial Impact on the University / Faculty / Professional Services /School / Directorate / Related Company.
- Regulatory / Legislative consequences to the University /Faculty/ Professional Services /School / Directorate / Related Company.
- Reputational / Adverse Publicity consequences to the University / Faculty/ Professional Services /School / Directorate / Related Company.
- Infrastructure and the consequences with a problem occurring to the University / Faculty/ Professional Services / School / Directorate / Related Company.
- Health and Safety and the impact of an incident occurring to the University / Faculty/ Professional Services School / Directorate / Related Company.

It should be noted that these are purely examples to help with the process of scoring the risk and not a definitive list.

Impact Rating	Description	Possible Consequences / Examples
1 : Minor	Negative outcomes from risks or lost opportunities unlikely to have an effect on the University's / School's / Directorate's / Related Company's reputation or performance.	<p>Objectives – Limited impact on the University's / Faculty's / Professional Services' / School's / Directorate's / Related Company's strategic objectives which can be addressed and managed quite quickly and with a small degree of effort.</p> <p>Financial – Financial impact is less than 2% of total income / budget in any one financial year.</p> <p>Regulatory / Legislation – No / limited regulatory consequence.</p> <p>Reputation / Adverse Publicity – No / limited public adverse publicity – perhaps rumours or local adverse publicity for a short period. etc.</p> <p>Infrastructure – Loss of core IT system for <1 day.</p> <p>Health and Safety – Worker / student slips, trips or falls requiring no / minimal intervention or treatment.</p>
2 : Moderate	Negative outcomes from risks or lost opportunities having a moderate impact on the University's / School's / Directorate's / Related Company's reputation and / or performance. Such a risk can be managed relatively straight forwardly in the short term.	<p>Objectives – Adverse impact, of a moderate nature, on the University's / Faculty's / Professional Services' / School's / Directorate's / Related Company's strategic objectives which can be managed in the short term.</p> <p>Financial – Financial impact is above 2% but less than 4% of total income / budget in any one financial year.</p> <p>Regulatory / Legislation – Limited regulatory consequence.</p> <p>Reputation / Adverse Publicity – Local adverse publicity for a short defined period.</p> <p>Infrastructure – IT project delivered late, but manageable, or overspent. Loss of core IT system for 1-2 days.</p> <p>Health and Safety – Moderate injury requiring professional intervention. Staff / student injured due to University negligence resulting in up to 2 days from work / study.</p>
3 : Serious	Negative outcomes from risks or lost opportunities with a serious effect that will require some effort to manage and resolve in the medium term. This will not threaten the existence of the University / School / Directorate / Related Company in the medium term.	<p>Objectives – Adverse impact on the University's / Faculty's / Professional Services' / School's / Directorate's / Related Company's strategic objectives which can be managed in the medium term.</p> <p>Financial – Financial impact is between 4% and 8% of total income / budget in any one financial year. Moderate savings programme required to break-even in the medium term.</p> <p>Regulatory / Legislation – Single breach of statutory duty.</p> <p>Reputation / Adverse Publicity – Negative headlines in the national press for a limited period.</p> <p>Infrastructure – Moderate damage to a building resulting in a temporary loss of service for a limited period.</p> <p>Health and Safety – Accident at University premises resulting in moderate injury requiring professional intervention and / or requiring 3-14 days off work / study.</p>
4 : Very Serious	Negative outcomes from risks or lost opportunities which if not resolved in the medium term will threaten the existence of the University / School / Directorate / Related Company.	<p>Objectives – The achievement of the University's / Faculty's / Professional Services' / School's / Directorate's / Related Company's strategic objectives will not be met in the medium term.</p> <p>Financial – Financial loss (or loss of potential financial surplus) between 8% and 10% of total income / budget in any one financial year.</p> <p>Regulatory / Legislation – Substantial regulatory consequence. Research team found to have behaved unethically and falsified</p>

Impact Rating	Description	Possible Consequences / Examples
		<p>results.</p> <p>Reputation / Adverse Publicity – Negative headlines in national press for up to one week.</p> <p>Infrastructure – Major fire prevents substantial part of the University delivering courses.</p> <p>Health and Safety – Incident at the University leading to long terms incapacity / disability. Requiring more than 14 days off work / study.</p>
5: Extreme	Negative outcomes from risks or lost opportunities which seriously threaten the existence of the University / School / Directorate / Related Company.	<p>Objectives – The achievement of the University's / Faculty's / Professional Services' /School's / Directorate's / Related Company's strategic objectives will not be met.</p> <p>Financial – Financial loss (or loss of potential financial surplus) over 10% of total income / budget in any one financial year.</p> <p>Regulatory / Legislation – Major negative sanction by DEL. Multiple breaches of legislation. Prosecution for breaches of statutory duty.</p> <p>Reputation / Adverse Publicity – National and International media coverage.</p> <p>Infrastructure – Loss of core system resulting in an inability to perform core functions at key times eg unable to complete E&R in September / October. University financial systems fail completely and cannot be recovered.</p> <p>Health and Safety – Incident leading to multiple permanent injuries and / or irreversible health effects or death.</p>

Table 2: Likelihood Rating

Descriptor	Likelihood	Percentage
1	Low	0-20%
2	Moderate	20-50%
3	High	50-80%
4	Very High	>80%