Risk Management Policy

1. STRATEGIC PLAN THEME AND COMPLIANCE OBLIGATION SUPPORTED

Tertiary Education Quality and Standards Agency Act 2011 (Cth) and *Higher Education Standards Framework (Threshold Standards) 2021* (Cth)

Strategic Plan Theme: People

2. PURPOSE

To support the University to achieve its objectives by:

(a) enabling high performance and risk taking within agreed risk appetites;

(b) promoting a strong risk culture;

(c) supporting a healthy, safe and sustainable University community;

(d) making sound, risk-aware decisions;

(e) building organisational resilience and ensuring an effective response to disruptions; and

(f) providing assurance to the University community, external partners (such as industry, regulators and governments), the community and other stakeholders that the University has a systematic proactive approach to risk management as part of overall University governance.

3. POLICY STATEMENT

3.1. Risk management framework (RMF)

3.1.1. The University will establish and operate a RMF to enable the University to achieve its strategic and operational objectives.

3.1.2. The RMF provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation. The RMF includes risk appetite, risk culture, strategic risk component, operational risk component, business continuity risk and resilience component, critical incident risk component, risk rating and acceptance tables, this policy and associated procedures and other risk tools, systems and processes.

3.2. Risk appetite

3.2.1. All activities involve some degree of risk as outcomes can be uncertain. Risk-taking is necessary to achieve objectives and excessive risk aversion is equally as unacceptable as risk-taking beyond agreed risk appetites. Accordingly, the University will assess, manage and accept certain levels of risk by adopting agreed risk appetites as outlined in the risk appetite (including via a strategic risk appetite or specific risk appetites).

3.2.2. The risk appetite provides guidance about the level of risk that is acceptable across certain activities and is categorised as follows:

(a) **Open**: Curtin will manage risks to seize opportunities.

(b) **Cautious**: When taking risks, Curtin will monitor certain aspects closely and respond quickly to adverse performance.

(c) **Closed**: Curtin will not pursue the opportunity or support exposure to the risk in all but the most exceptional circumstances as approved by the Vice Chancellor or Policy Manager where relevant or delegate.

3.3. Risk culture

3.3.1. The University community will demonstrate a strong risk culture, being one that supports risk awareness, behaviours and judgements about risk taking within an effective RMF. A strong risk culture is considered across three components:

(a) **Application** of frameworks to support risk aware decisions aligned with strategy and risk appetite

(b) **Attitude** of our people towards risk and opportunity, candid no-blame disclosures, learning from mistakes and leading by example

(c) **Accountability** for oversight of risk, clear roles and responsibilities and demonstrating single line accountability for outcomes and performance.

3.4. Risk management standards

3.4.1. The University's risk management framework will be consistent with:

(a) *Tertiary Education Quality and Standards Agency Act 2011* (Cth);

(b) *Higher Education Standards Framework (Threshold Standards) 2021* (Cth);

(c) AS ISO 31000:2018, Risk Management –Guidelines; and

(d) ISO 22301:2019, Security and Resilience: Business Continuity Management Systems – Requirements.

3.5. Roles and responsibilities

3.5.1. Council's role is to:

(a) oversee effective implementation of the risk management framework including this policy;

(b) promote and model a strong risk culture;

(c) approve the strategic risk appetite;

(d) monitor and respond to strategic risk reports; and

(e) provide stewardship in times of crisis.

3.5.2. Executive Committee's role is to:

(a) advise Council and respond as authorised in respect of the strategic risk appetite and strategic risks; and

(b) review the status of individual strategic risks and treatment action plans.

3.5.3. Audit, Risk and Compliance Committee is responsible for providing independent and objective advice on the adequacy, integrity, and effectiveness of the:

(a) risk management framework;

(b) system of internal controls;

(c) other frameworks covering accounting and finance, compliance, and information technology; and

(d) audit and assurance.

3.5.4. The Vice Chancellor's role is to:

(a) promote and model a strong risk culture;

(b) ensure that the University's operations are within the agreed risk appetite;

(c) provide candid disclosure to Council of matters approaching or exceeding strategic risk appetite; and

(d) provide executive leadership in times of crisis.

4. SCOPE OF POLICY

This policy applies to staff, adjuncts, University Associates, Council members, students, contractors and consultants in any location or campus, within Australia.

5. DEFINITIONS

(Note: Commonly defined terms are located in the *Curtin Common Definitions*. Any defined terms below are specific to this document)

Risk
The effect of uncertainty on objectives. It is measured in terms of consequence and likelihood.

Risk appetite
Amount and type of risk an organisation is prepared to pursue or retain to achieve its objectives. The risk appetite includes the strategic risk appetite and any specific risk appetites.

Risk assessment
A process to identify, analyse and evaluate risk. It provides an understanding of risks, their causes, consequences and likelihood.

Risk awareness
Disciplined decision-making that takes into account considerations of risk and reward on an informed basis and in accordance with the risk appetite.

Risk management
Coordinated activities to direct and control an organisation with regards to risk.

Risk management framework (RMF)
The set of components (which include the policy and procedures) that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

Strategic risk
Risk that can significantly impact the achievement of strategic objectives and can include material business operating risks.

Treatment action plans (TAPs)
Agreeing and implementing options that change the likelihood and/or the consequence of a risk. Options may be to avoid the risk, reduce the risk, remove the source of the risk, modify the consequences, change the probabilities, share the risk with others, retain the risk, or increase the risk in order to pursue an opportunity within agreed risk appetite. Once a treatment has been implemented, it becomes a control or modifies existing controls. There can be multiple treatments for a risk.

6. SUPPORTING PROCEDURES

Risk Management Procedures

7. RELATED DOCUMENTS/LINKS

Curtin documents

- Audit, Risk and Compliance Committee Charter

- Constitution of the Executive Committee of the Council

- Curtin Council Matters Reserved and the Delegations Register

- Curtin's Risk and Assurance webpage

- Internal Audit Mandate

- Risk Rating and Acceptance Tables

- Strategic Risk Appetite framework *see Risk Management Procedures*

- Summary of Specific Risk Management frameworks and Specific risk appetites *see Risk Management Procedures.*

Legislation

- *Tertiary Education Quality and Standards Agency Act 2011* (Cth)

- *Higher Education Standards Framework (Threshold Standards) 2021* (Cth)

Standards

- AS ISO 31000:2018, Risk Management - Guidelines

    ISO 22301:2020, Security and Resilience: Business Continuity Management Systems – Requirements

Policy Compliance Officer	Steven Tamigi, Director, Risk Compliance & Audit
Policy Manager	Chief Operating Officer
Approval Authority	Council
Review Date	1st April 2028

REVISION HISTORY

Version	Approved/ Amended/ Rescinded	Date	Committee / Board / Executive Manager	Approval / Resolution Number	Key Changes and Notes
UGP004/1.1	Approved	18/10/2000	Council	C 117/00	Document No 47/00, as amended
UGP004/1.1A	Amended	25/10/2006	Council	C 150/06	Document No 01108/06 (iii)
	Administratively Updated	20/03/2008			Reformatted and Amended to Reflect Organisational Chart
	Amended	10/12/2008	Council	C 189/08	Attachment B to Confidential Document No 01286/08, Amended Responsibilities to Reflect Organisational Chart
	Amended	23/02/2010	Planning and Management Committee	PMC 08/10	Attachment 2 to Document No 00166/10 (PMC also recommended that Council rescind the previous version to show approving authority has been amended)
	Amended	17/03/2010	Council	C 29/10	Attachment 1 to Document No 00255/10 (Council rescinded the previous versions of the policy, as the approving authority is now PMC)
	Administratively Updated	16/10/2012	Director, Legal and Compliance Services		Policy Contact Updated
	Amended	13/02/2013	Council	C 03/13	Attachment 1 to Confidential Document No 00051/13, effective 27 February 2013
	Administratively Updated	06/10/2015	Director, Legal and Compliance Services	EC 76/15	Executive Manager Tile Changes
	Amended	19/10/2022	Council	C 143/22	Attachment B to item 7.4