

# Risk Management FAQ

## Q How is it decided when a risk becomes reportable or actionable?

The appetite and tolerance model has 4 distinct categories setting out the level of risk that the University is prepared to tolerate, depending on the type of risk. There are varying trigger points for reporting and action associated with each of these categories:

- **Category 1 – Highly Risk Averse** – this contains critical risks, where if something went severely wrong there would be a risk to life, or the University would not be able to continue its operations. *Reporting trigger score 9 (amber), Immediate Action trigger 16 (red)*
- **Category 2 – Managed Risk** – this contains operational risks that may impact activity in one or more areas, but would not prevent the University as a whole from continuing its operations. *Reporting trigger score 20 (amber), Immediate Action Trigger 25 (red)*
- **Category 3 – Unknown or Unexpected Risks** – this contains risks where the University has no control and is unable to forecast. *No triggers, however any new or increasing risks will be reported*
- **Category 4 – Risk Reward Focused** – this contains the risks that the University has the most tolerance towards, and is willing to carry higher risk scores against the potential reward. *Reporting trigger score 25 (amber), Immediate Action trigger 30 (red)*

## Q Who should authorise my risk register prior to submission for reporting?

It is the responsibility of the Risk Owners and Facilitators to score and register risks, detail the monitoring, triggers for action, current and planned controls, and obtain approval from:

- College risk registers: College Executive Group
- Professional Services risk registers: Area Dual Assurance Group where relevant
- Corporate risk registers: Area Dual Assurance Group where relevant

**Important note:** All risk owners must have been informed by you and have agreed to the detail of all risks that they are named as the owner of within your register.

## Q Who will see my risk register once I've submitted it?

Risk registers throughout the risk management cycle are submitted to the following groups:

- Planning, Policy and Business Intelligence for the PRG process
- VCEG for review in the capacity of overall accountability for risk management
- Council for review in the capacity of overall responsibility for risk management
- Dual Assurance (all registered risks are allocated and reported to the relevant DA)
- Audit Committee in the capacity of assurance and audit identification

### **Q I have a risk that is shared with other areas, how can I tell if and how they are reporting it?**

The risk register contacts are listed on the Staff Resources page. It's good practice for the Risk Register contacts to liaise with each other, particularly where there are shared risks. If you are not sure who a risk would be shared with, please contact Tracey Tuffin, Risk and Compliance Officer (email: t.tuffin:Exeter.ac.uk), and a review can be facilitated.

### **Q How can I raise the profile of my risk so that it's addressed?**

Risks are scored according to an appetite and tolerance risk management model (see the answer to the question "How is it decided when a risk becomes reportable or actionable?"). A standard and uniform approach is used across the University to ensure that risks in all areas are dealt with fairly and transparently. It is not possible to raise the profile of an individual risk if the score is below the relevant trigger point. This ensures that concentrated focus is reserved for critical risks.

If you feel that a risk is not reported appropriately, it should be reviewed by the risk owner. Significant amendments in score should be approved by either the College Executive Group or Dual Assurance as appropriate.

### **Q There is a significant new risk or increase in risk score, and there is no risk reporting imminent – how do I ensure that the relevant people are aware?**

Significant new risks or increases in score should be reported as soon as possible via exception reporting. A summary of the new/increased risk should be provided to VCEG, along with details of risk ownership and the managing actions being taken to mitigate. Approval of the relevant College Executive Group or Dual Assurance Group as appropriate should be included in the VCEG submission.

**Important note** – the named risk owner must always be informed prior to any reports being submitted to VCEG, so that they can be prepared for any questions that may arise.