

RISK MANAGEMENT POLICY

Category	Governance
Policy Owner	Risk Senior Manager
Last review	7 August 2024
Next review	7 August 2029
Approved by	Executive Leadership Team
Effective date	7 August 2024

1. PURPOSE

To ensure that:

- Risk management forms part of all University's activities, internal decision-making processes, and governance processes.
- Members of the University understand their roles and responsibilities associated with risk management which enable risk taking within the university's risk appetite.
- Risk management activities enable the University to improve performance, protect and create value, and other operational objectives.
- All University functions and members through active risk management work towards protecting and creating and delivering Te Kete objectives. (Appendix 1: Protecting and creating value).

2. POLICY

At Auckland University of Technology (**AUT**), we recognise that risks cannot be eliminated; they are an integral part of progress. Our primary goal in risk management is to create and safeguard value. To achieve this, we ensure that the University maintains a well-informed understanding of its key risks and implements appropriate measures to manage them effectively.

Our goal is not to eliminate all risks, rather it is to manage the risks involved in University activities, to maximise our opportunities, and minimise potential negative outcomes.

The balance between the costs of managing risk and the anticipated benefits needs to be considered.

3. RISK GOVERNANCE STRUCTURE

AUT uses the three lines of defence model to align communication, ownership, and governance of risk across the University. Refer to Appendix 2: Three lines of defence.

The risk management governance structure within the University is illustrated in Appendix 3: AUT governance structure.

Role and responsibilities that would support the risk management function can be view in Appendix 4: Roles and Responsibilities.

The reporting and disclosure of risk is to be made in accordance with the Risk Management Procedures.

4. NON-COMPLIANCE

AUT expects all members of the University to adhere to the established policies and fulfil their roles and responsibilities as outlined. In cases of non-compliance, there could be significant consequences, including: delays in addressing critical issues related to students, staff, or other organisational objectives. In such instances, Audit will report non-compliance incidents to the Vice Chancellor and the Risk Steering Committee for appropriate action.

5. DEFINITIONS

To align the organisations risk management activities, AUT will follow definitions provided by the ISO standards.

6. SCOPE

This policy applies to all areas of the University and AUT controlled entities. Health, Safety and Wellbeing (HSW) have a risk management system that aligns with this policy.

7. LEGISLATION AND COMPLIANCE

The University shall comply with all applicable New Zealand laws, legislation, and regulations.

See also the Register of Key Legislation and specifically:

[Australian / New Zealand Standards Risk Management – Principles and Guidelines ISO 31000:2018](#)

8. RELATED PROCEDURES/DOCUMENTS

[Risk Management Procedures](#)

[Risk Management Definitions](#)

[HSW Management System](#)

Policies and Procedures can be found on [TUIA](#).

9. DOCUMENT MANAGEMENT AND CONTROL

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Appendix 1:

Protecting and creating Value

By Protecting and creating value from risk AUT is committed to deliver Te Kete, Auckland University of technology strategic objectives

Inner circle

Te Kete and Te Aronui provide a strategic foundation for AUT to grow and prosper as a university

Third Circle (Custodians)

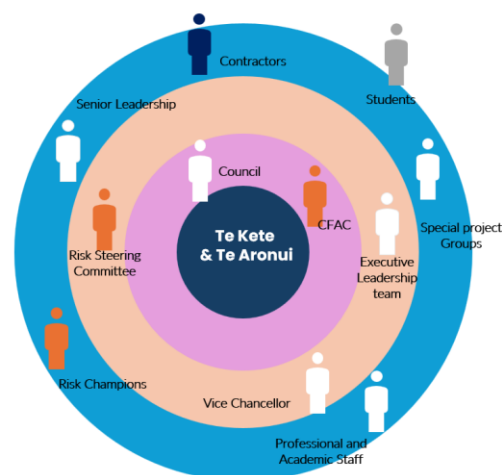
The VC sets the tone and risk culture of the organization. The Risk Steering Committee monitors AUT's compliance with board risk commitments, monitors and delivers reporting to board and receives reporting

Second Circle (Governance body)

The Council and the CFAC have the oversight of risk management at AUT. Which includes guiding AUT on external risk.

Fourth Circle

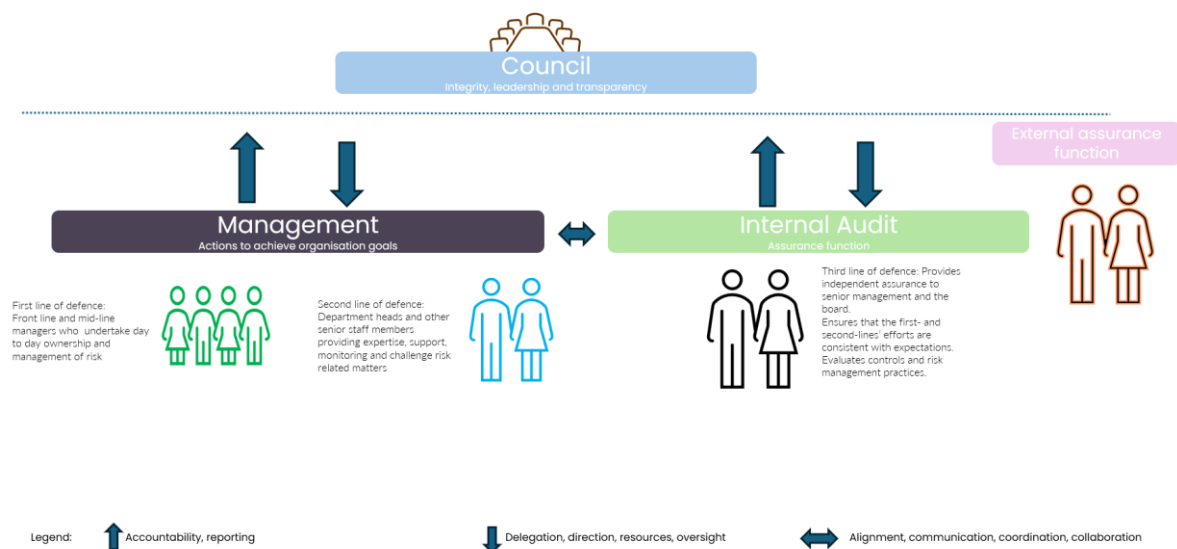
Understand and implement the risk management function. Escalate when in doubt.



Each circle represents the distance of the group to the strategic objective and the impact their actions and decisions would have to the aggregated view of achieving our strategic objectives.

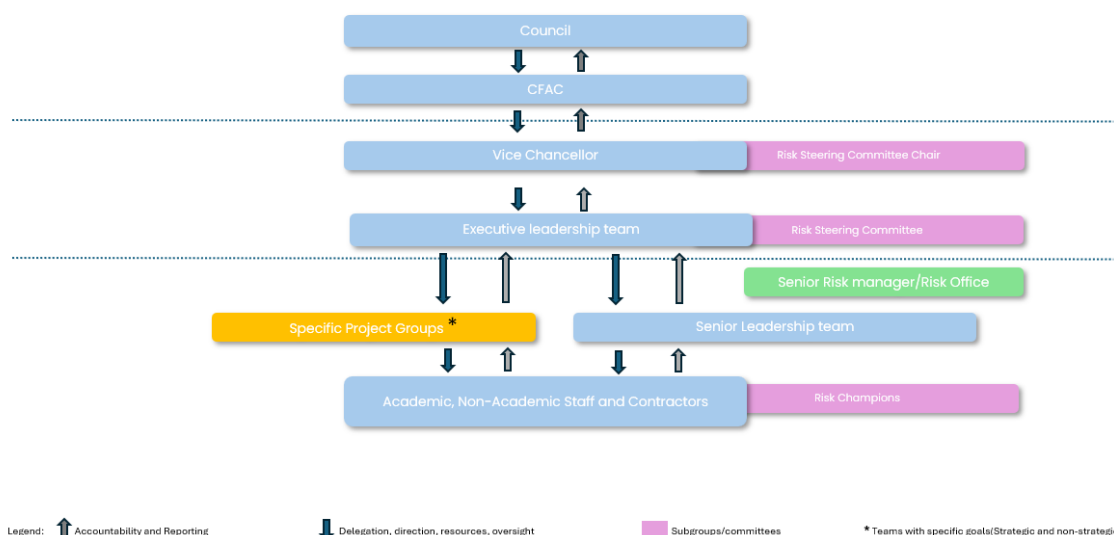
Appendix 2:

Three lines of defence



Appendix 3:

Governance Structure



Appendix 4: Roles and Responsibilities

Position	Roles and Responsibilities
Council	<ul style="list-style-type: none"> Delegate authority to the Vice chancellor Approve the Risk management policy and other related documents Overall responsibility of risks within the organisation
Council Finance & Audit Committee (CFAC)	<ul style="list-style-type: none"> Ensure the University is managing risks appropriately and escalate where necessary Obtain assurance on the effective of risk management, its functions and level of compliance with the board approved policy Confirm that recommended risks can be escalated to enterprise risk level
Vice-Chancellor (VC)	<ul style="list-style-type: none"> Approve the Enterprise risk management framework Oversee the management of all high risks across the university Escalate appropriate and accurate risk information to the Council via the CFAC Prioritise and manage risks within the risk appetite Commission assurance reports on the management of risks
Risk Steering Committee	<ul style="list-style-type: none"> Appraise and propose enterprise risks to the Vice Chancellor (VC), updates to the Risk Management(RM) Framework and policy Meet formally and appraise near, medium- and long-term risks Champion initiative to improve risk management Promote awareness of interdependencies between RM and Te Kete Recommend to the VC risks to be escalated to Enterprise level
Executive Leadership Team	<ul style="list-style-type: none"> Monitor compliance with board and management policies on risk Ensure that all departments follow risk management and reporting requirements set out in the policy and framework Escalate appropriate business unit risks Continue to champion risk culture and management within their business units
Senior Risk Manager/Risk Office	<ul style="list-style-type: none"> Developing and implementing the risk management policy, framework, and processes Monitoring the application and effectiveness of the risk management framework Collating and reporting risk management information to the Executive Team Co-ordinating initiatives to improve processes that identify and manage risks Advising, coaching, and training staff on risk management techniques
Senior Managers/Leaders/People leaders/Risk Owners	<ul style="list-style-type: none"> Responsible for RM activities within their areas and schools Ensure that risk registers, managed and maintained Review their area and schools risk registers monthly and escalate all high to very high risks to their executive leader for appraisal Support staff in enabling them to manage risks to ensure they can deliver their outcomes Escalate risks to appropriate level

Position	Roles and Responsibilities
Specific Project Groups (strategic/non-strategic, focused outcomes and time bound)	<p>Responsible for RM activates within their areas and projects or programs</p> <p>Ensure that risk registers, managed and maintained</p> <p>Review their areas and projects or programs</p> <p>risk registers monthly and escalate all high to very high risks to their executive leader for appraisal</p> <p>Support staff in enabling them to manage risks to ensure they can deliver their outcomes</p> <p>Escalate risks to appropriate level</p>
Risk Champions	<p>Support the SL in maintain risk registers</p> <p>Guide and support the business unit in risk management activities</p> <p>Coordinate team RM workshops</p> <p>Collaborate with Risk Champions across the university</p> <p>Escalate risks to appropriate level</p>
All Staff	<p>Responsible for day-to-day Risk management and controls within the scope of their employment</p> <p>Proactively identify and report potential new risks and escalate where necessary</p> <p>Identify perceived shortcomings in risk controls and measures</p> <p>Timely complete risk mitigation actions</p> <p>Escalate risks to appropriate level</p>