Policy Name:	Risk Policy		
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Approved By:	Board of Trustees		
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REVIEW HISTORY			
Date	Name	Signature	Notes
November 2019	Gareth Hughes		New Policy
November 2022	Gareth Hughes		Student Group Risk Framework (3) Revisions to roles and responsibilities (5) Serious Incident Reports (7.2)

1. INTRODUCTION

1.1 Durham SU is required to review the major risks to which the organisation is exposed, and the trustees have a specific responsibility to make a statement about risk management in their annual report. The trustees have reviewed and made note of their responsibilities described in Charity Commission Guidance CC26 'Charities and Risk Management'.

1.2 Durham SU uses 'risk' to describe the uncertainty surrounding events and associated outcomes which may have a significant impact, either enhancing or inhibiting any area of operations. The Risk Policy, therefore, seeks to:

- Provide a methodology for assessing risk.
- Guide Durham SU's management in managing risk successfully.
- Provide an evaluative framework to assess whether risk has been managed successfully.
- Give confidence to Durham SU's stakeholders that risk is appropriately considered in the delivery of strategy and operations.

1.3 The principles which inform Durham SU's Risk Management Policy are:

- The trustees have overall responsibility for effective identification and management of risk, through the adoption and promotion of a positive risk culture, and approval and oversight of a Strategic Risk Register.
- The management of operational risk is delegated to a senior leadership team, which supports, advises on, and implements policies and measures approved by the Board.
- Durham SU has an open and transparent approach to addressing risk, and purposefully considers it in terms of both opportunity and threat.
- Foresight is necessary to appropriately consider risk, and all staff and volunteers have a responsibility to support good risk management practice.

2. APPROACH TO RISK MANAGEMENT

2.1 The trustees set Durham SU's risk appetite after considering each strategic risk individually, and the consolidated Strategic Risk Register. The 'risk appetite' refers to the risk that Durham SU will accept or seek in pursuit of its objectives.

2.2 Durham SU's general risk appetite is such that it will accept or begin activities which receive a net score of eight or less, after using the assessment framework in section 4 of this policy, after a full risk assessment, but the trustees reserve the right to decide to undertake a full risk assessment before accepting the risk presented by any individual activity.

3. APPROACH TO STUDENT GROUP RISK MANAGEMENT

3.1 Durham SU takes a risk-based approach to student group regulation and activity. This means that we focus attention on student groups that present the greatest risk of non-compliance with regulation (for whatever reason) or that undertake more complex or unusual activities. Low risk Student groups should have a low regulatory burden.

3.2 Durham SU assess every student group at point of first registration in terms of its engagement with specific policies, regulations and laws. These may include, but are not limited to:

3.2.1 Health and safety; a martial arts group, for example, will present a higher risk than an arts and crafts group.

3.2.2 Safeguarding; a group which works with children will present a higher risk than a group which only runs events for students over 18 years of age.

3.2.3 Data protection; a group which uses sensitive data, such as a students' sexual orientation, presents a higher risk than a group which only processes students' names.

3.2.4 Publication; a group with a regularly published magazine which uses other people's media presents a greater risk of copyright infringement than a group which only has a social media account.

3.2.5 Campaigning; a group which seeks to promote a particular political cause is subject to regulations that don't apply to groups that only promote food and drink.

3.2.6 Fundraising; a group which asks members of the public for money is subject to regulations that don't apply to group that only take membership and ticket income.

3.2.7 Overseas activities; a group that takes students overseas is likely to have to comply with laws, and need special insurance, that groups in Durham usually don't need.

3.3 Student groups which do not engage with any high-risk activity will not require any further risk assessment following initial registration and will instead operate under a monitoring framework. The monitoring framework operates on the basis that risk changes when Durham SU receives new information, which may include:

- Routine data collected during registration, or from regular check-ins between the Opportunities team and the student group.
- Reportable events as required under the Student Group Agreement; for example, if a student suffers a health and safety accident while undertaking a student group activity.
- Additional information required by Durham SU, for example if the students' union becomes aware that the student group is undertaking a new activity not mentioned at annual registration, or if a wider collective development need becomes apparent.
- Feedback, a complaint, or a query from a student or a member of the public.

4.   RISK CONTROLS

Durham SU routinely applies controls which support its approach to risk management and bring higher risk activities within risk tolerance.

4.1   Development and monitoring of the Strategic Risk Register

The Strategic Risk Register is used to identify, assess and monitor risks facing Durham SU. The Board of Trustees annually reviews the full Strategic Risk Register. The Sustainability and Risk Committee regularly monitors progress against actions to control strategic risks, and recommends emergent risks to be added as required.

Entries on the Strategic Risk Register should include a description of the risk, the causal factors, and the most probable consequences of the risk if unaddressed. There should also be identification of the indicators of risk, and mitigations currently in place and planned. The trustees should make a statement against each entry, which may usefully be then added in the Durham SU annual report. An entry template is appended to this Policy.

4.2   Strategic planning and budgeting

The Durham SU strategy and annual plans will determine priorities for the students' union and identify appropriate performance targets against risks. The annual budget setting process ensures resources available are allocated to meet these targets. The senior staff are responsible for performance and budget monitoring and reporting progress to the trustees.

4.3   Policies and procedures

A range of policies and procedures cover the legal duties and the day-to-day provision of services. These form an essential part of the controls employed to manage significant risks to the organisation. These policies are approved by the Board of Trustees and disseminated through the organisation by the senior staff. There are too many examples to list individually, but they include, for example, data protection policies, cash handling policies, fire evacuation procedures and pregnancy risk assessments.

The Sustainability and Risk Committee is responsible for the oversight of the review and of policies necessary for the management of risk at Durham SU, ensuring that policies and procedures are reviewed regularly and fit for purpose.

4.4   Risk Assessments

Risk assessments are routinely used to identify risks and appropriate responses in the day-to-day operations of the student's union. Template Risk Assessments are useful for the management of the most frequent and usual activities that Durham SU undertakes, such as student group events. The Chief Executive is authorised to design, disseminate and enforce the use of template Risk Assessments as necessary to meet the expectations of this Policy.

4.5   Independent audit and review

An annual independent audit gives the trustees assurance as to the effectiveness of internal financial controls, and will make any necessary recommendations for refinement of controls.

The Durham University Audit and Risk Committee also commissions the University Assurance Service to provide assurance on Durham SU's risk profile, at intervals of some years by arrangement with the University Secretary. A University review may also recommendations on the effectiveness and development of internal controls.

4.6   Third party reports

The judicious use of third party expertise can increase the reliability of controls. Durham SU will use consultants to give advice on specialist areas of policy or procedure from time to time, and the Chief Executive is authorised to commission such reports as necessary, within usual policies for procurement and engagement of consultants.

4.7   Training and development

Durham SU recognises that purposeful training and development of its staff team and volunteers is a key control to risk. Participation in informal and formal networks and ad hoc meetings is an essential way to of identify new opportunities and threats which could present risks to the students' union, and all colleagues will be encouraged and incentivised to engage with their wider community of practice.

4.8   Incident review

Notwithstanding the controls identified in this Policy, there will be events and activities which require engagement with risk management processes; some of these may be understood as 'regular' risk controls being applied but some may be 'crises'. In either regular or crisis management of risk, Durham SU expects that purposeful reflection with an appropriate member of the senior staff will contribute to the continuous development of policies and procedures, to ensure that they are fit for purpose.

4.9   Urgent reporting by staff and managers responsible for managing risks

Strategic risks which require immediate attention will be drawn to the attention of a nominated trustee (the Chair of Sustainability and Risk Committee) by the senior staff. If a risk assessment suggests that a new entry needs to be made to the Strategic Risk Register, the senior staff will make a recommendation to the next appropriate meeting of the Committee and then the Board of Trustees.

All staff and volunteers should be made aware of their responsibility to report through their line manager or volunteer leader.

5.   THE STRATEGIC RISK REGISTER

5.1   The Strategic Risk Register consolidates Durham SU's principal risks in a single document. It is reviewed annually by the full Board of Trustees and progress is monitored at each meeting of the Sustainability and Risk Committee.

5.2   The Register is not intended, and should not be used, to manage operational risk facing Durham SU's business units. It is important that the trustees use the Strategic Risk Register to focus on the most significant risks relevant to the students' union.

5.3   The Register, also, will not contain risks for which the trustees have determined and implement sufficient controls. The annual reflection allows for the reconsideration of 'managed' risk.

5.4   The Strategic Risk Register considers risks presented to:

- Governance, recognising that students' unions have an unusually complex relationship between the organisation's regulatory, democratic, and professional aspects.
- Delivery, which refers to the effectiveness and sustainability of Durham SU's operations.
- People, because Durham SU is largely a support organisation for a high number of high-turnover volunteers, as well as a team of professional staff.

- Student Groups, because the cumulative risk contribution of over 150 student groups, as well as individual groups, is a very significant trustee concern.
- Stakeholder management, in recognition of the fact that Durham SU is a membership organisation, in a complex environment, which attracts a great deal of scrutiny.

5.5 Strategic risks are assessed by probability of occurrence and by potential impact. A total score is given by multiplying impact score by probability score, using the criteria in 4.6. Not all activity assessed for risk will cleanly be described by the criteria; the trustees authorise the Chief Executive to exercise their judgement as to an appropriate assessment, and to award a summary score to unusual activity using the particulars of the activity under review.

5.6 An assessed risk will have a gross rating, before any controls are applied, and a net rating after identified controls are applied. Any net rating used to authorise an activity must not be a theoretical application of a control ('if we had an unlimited budget, we could buy the equipment that would reduce the impact to 'minor') but must be selected after a critical reflection (because our budget is limited, we can afford to buy equipment which will reduce the impact to no more than moderate). If an activity is authorised following the identification of a control, the activity lead is accountable for the actual implementation of that control.

5.7 The purpose of risk assessment and the implementation of controls, of course, is to minimise risk wherever possible, so a 'reduce' or 'accept' rating also requires appropriate controls to be considered, designed and implemented, to bring the net score as low as possible.

5.7.1 Impact

Score	Description	Definition
1	Minor	No impact to Durham SU's strategic priorities. Unlikely to raise concerns with key stakeholders. No identified harm to persons. No identified breach of law or regulation. Financial impact likely to be less than £25000.
2	Moderate	Will impact Durham SU's ability to deliver strategic priorities. Likely to raise concerns from key stakeholders. Identified minor harm to persons. No breach of law or regulation identified. Financial impact likely to be more than £25000 but less than £50000.
3	Major	Significant impact to Durham SU's strategic priorities. Damage to Durham SU's key partnerships or reputation. Identified moderate or major harm to persons. Failure to meet legislative or regulatory requirements. Financial impact is likely to exceed £50000.
4	Critical	Significant impact to Durham SU's strategic priorities. Long-term damage to Durham SU's key partnerships or reputation. Identified moderate or major harm to persons including children or vulnerable people. Failure to meet legislative or regulatory requirements will lead to legal claims or financial sanctions. Financial impact is likely to exceed £100000.

5.7.2 Probability

Score	Description	Definition
1	Very unlikely	Has not occurred in the previous 5 years. High confidence in the strength of controls.
2	Unlikely	Has not occurred in the previous 3 years.

		Good confidence in the strength of controls.	
3	Likely	Has occurred in the previous 1 to 3 years. Limited or no information regarding the strength of controls.	
4	Very likely	Has occurred in the previous year. Limited confidence in the strength of controls.	

5.7.3 Assessment grid

Impact	4	Reduce	Reduce	Avoid	Avoid
	3	Reduce	Reduce	Avoid	Avoid
	2	Accept	Reduce	Reduce	Reduce
	1	Accept	Accept	Reduce	Reduce
Probability		1	2	3	4

5.8 Activities with a net risk assessment outcome of 'avoid' but where there is a desire to continue should be separately considered and authorised by senior staff. The Chief Executive will refer any complex, unusual, or outstanding questions to the Chair of Sustainability and Risk Committee.

6. ROLES AND RESPONSIBILITIES

Board of Trustees	Establish the tone and the culture of Durham SU's risk management, including the identification of a risk appetite. Approve a sound system of internal controls. Annually approve the Strategic Risk Register. Make Serious Incident Reports to the Charity Commission, on the authority of the Chair and Vice-Chair.
Sustainability and Risk Committee	Regularly monitor progress against actions to control strategic risks. Consider an appropriate response to emergent risks under delegated authority from the Board of Trustees. Scrutinise the senior staff's effective management of risk.
Chief Executive	Refer uncertain or higher-risk activities to the Chair of Sustainability and Risk Committee for approval. Refer recommendations for a Serious Incident Report to the Chair and Vice-Chair of the Board of Trustees. Maintain good risk management practice including the training and development of the staff team and volunteers. Authorise the creation and approval of operational risk assessment documentation.
Senior staff	Prepare the Strategic Risk Register for Board approval. Design and implement policies and procedures on risk management and internal control. Assess emerging risks and ensure appropriate controls are in place. Authorise activity within operational risk assessments.
Departmental Managers	Support the identification, management and monitoring of risks. Report progress against assigned actions and controls. Recommend actions necessary to control immediate risks.
All Staff	Support the identification, management and monitoring of risks. Report progress against assigned actions and controls.
Student Officers	Act as good ambassadors for Durham SU's risk management work. Support the identification, management and monitoring of risks. Report progress against assigned actions and controls.
Volunteers	Support the identification, management and monitoring of risks.

7.   RESPONSE TO RISKS

7.1   In their annual reflection on the Strategic Risk Register, and in discussion on emergent risk, the trustees will consider Durham SU's response to risk in the recent past, and in particular:

7.1.1   Control environment, as in section 3

7.1.2   Continuous identification and assessment of risks

- Timely identification and assessment of risks.
- Prioritisation and allocation of resources to address risk.
- Quality of information on risk management.

7.1.3   Monitoring and corrective action

- Prompt and thorough implementation of actions taken in response to risk events.
- Quality of reflection and learning from risk events.

7.2   The trustees recognise their responsibility to be transparent in response to managing the risk associated with particular incidents, and their duty to increase confidence in the students' union's ability to recognise and manage risk.

7.2.1   In the event of an incident which may meet the expectations of the Charity Commission in regard to Serious Incident Reporting, the Chief Executive will brief the Chair and the Vice-Chair of the Board of Trustees and make a recommendation as to what report should be made. The Chair and Vice-Chair will authorise a report to be made if, in their judgement, there is a reasonable reason to do so, and will decide at that point how the other trustees and any other stakeholder should be notified and involved.

7.2.2   The Chief Executive, the Chair and the Vice-Chair will at any point be able to refer an incident to the full Board of Trustees for decision if they have a conflict of interest in relation to the incident in question.

Note that all text is indicative of appropriate detail and tone, and not in particular a template.

STRATEGIC RISK TITLE			
	Probability	Impact	Outcome
Inherent risk	<For example>	<For example>	<For example>
Residual risk	Very likely (4)	Major (3)	Avoid (12)
Target risk	Likely (4)	Moderate (2)	Reduce (6)

Risk owner	<Name and title of staff or trustee lead>
Description	<If Durham SU doesn't start work on X then it is probable that Y will happen, and then we can reasonably expect Z. We know that Z is highly important to students.>
Causal factors	<X is a very old problem, and has had very little attention paid to it. Durham SU attempted to manage around X, but it turned out that X is very important. Y would have been certain 10 years ago but, in our assessment, there is a potential confusion about who is in charge, which is likely to be in place until June of next year. So, while very likely, there is opportunity in this year to focus on probability as well as impact.>
Consequences	<Z is the most likely impact, because it was what happened at that other SU in 2018. There is also likely to be an impact on strategic delivery more broadly, as resolving Z will require a lot of management capacity. Durham SU is likely to be cautious of attempting Y in the future.>

Risk indicators	<The low numbers of people engaging with X is likely to contribute to its decline, so this will require careful monitoring. Y is connected to the size of 123.>
Current mitigating actions	<Durham SU has recruited someone with a substantial record in managing X. Although Durham SU lacks systems and resources to support this person, they will now begin work to create these tools. There will be no more work done on £@*, which means that X is less likely to degrade as quickly.>
Planned agreed actions	<The trustees have agreed that 123 will begin in January, so there is to some extent a tactic of well-judged delay. If we get to January without incident, the probably of Y will decrease significantly, although there will be exactly the same impact.>
Outstanding questions	<If the trustees are prepared to accept Z as an outcome, with the knowledge that students will react accordingly, then the risk assessment will change. The trustees will wish to allocate appropriate resource to communicate this policy decision to students, who will not understand initially.>