1. Purpose

1.1 This Risk Management Policy (the Policy) outlines CAIT Hi-Ed's commitment to embedding risk management as a fundamental aspect of its operations, decision-making, and culture.

1.2 The Policy aims to ensure the Institution achieves its objectives while safeguarding its people, assets, reputation, and stakeholder interests by proactively identifying and mitigating risks.

1.3 It supports a culture where staff and affiliates can take informed risks within defined boundaries, ensuring resilience and continuous improvement.

2. Scope

2.1 This Policy applies to all individuals associated with CAIT Hi-Ed, including but not limited to:

- Employees: All staff employed directly by CAIT Hi-Ed.

- Governing bodies: Members of the Governance Board, Academic Board, Finance, Audit and Risk Management Committee (FARMC), and their subcommittees.

- Affiliates: This includes, but is not limited to:

  i. Contractors and consultants providing services to the Institution.

  ii. Volunteers engaged in Institution-endorsed activities.

  iii. Representatives performing official functions on behalf of the Institution.

2.2 Collectively, these individuals are referred to as staff within this Policy.

3. Policy

3.1 CAIT Hi-Ed adopts an Enterprise Risk Management (ERM) Framework that is structured, comprehensive, and aligned with international best practices, including ISO 31000. The Framework is designed to:

- Integrate risk management into all institutional processes, including governance, strategy, operations, and projects.

- Foster a dynamic and adaptive approach to managing risks and opportunities.

- Embed risk awareness and accountability across all levels of the Institution.

- Encourage a culture of continual improvement.

3.2 The eight principles underpinning the Framework are:

- Integration: Embedded in governance, decision-making, and operations.

- Comprehensiveness: Ensuring all risk categories are addressed.

- Customisation: Aligned with CAIT Hi-Ed's context, strategy, and objectives.

- Inclusivity: Engaging relevant stakeholders in risk processes.

- Dynamic: Flexible and responsive to internal and external changes.

- Information-based: Informed by reliable data and expert judgment.

- Human-centric: Acknowledging the influence of culture, behaviour, and capability.

- Continuous improvement: Regular evaluation and refinement of practices.

3.3 Risk Appetite and Tolerance

CAIT Hi-Ed articulates its approach to risk-taking in its <u>Risk Appetite Statement</u>, defining acceptable levels of risk to achieve strategic objectives. Additionally, the <u>Risk Tolerance Statement</u> provides specific thresholds for decision-making, as detailed in the Institution's <u>Risk Assessment Matrix</u>.

3.4 Key Responsibilities

Governance Board and Committees

- *Governance Board*: Oversight of risk management strategy and performance.

- *FARMC*: Monitors key risks, evaluates mitigation plans, and reports to the Board.

Senior Management Team

- *Chief Executive Officer (CEO)*: Leads implementation and champions the Framework.

- *Corporate Support and Governance Services Manager*: Develops and reviews the Framework, assesses resource needs, and ensures alignment with strategic goals.

- *Senior Management Team*: Ensures effective execution of risk management activities within their areas of responsibility.

3.5 Managers and Staff

- Ensure that risks within their areas are identified, managed, and reported.

- Incorporate risk management into daily activities, decision-making, and planning

3.6 Risk Management Approach

Risk management encompasses:

- **Risk Identification**: Recognizing potential risks and opportunities.

- **Risk Analysis**: Evaluating likelihood, consequences, and existing controls.

- **Risk Evaluation**: Comparing analysis results with risk appetite and tolerance criteria.

- **Risk Treatment**: Implementing controls to manage risks within acceptable levels.

- **Monitoring and Review**: Continuous assessment of risk controls and performance.

3.7 Shared Risks

For risks involving third parties (e.g., contractors, industry partners), the Institution ensures collaborative oversight and shared accountability.

3.8 Communication and Escalation

- Risks assessed as high or above are escalated to senior leadership for immediate attention.

- Risk information is communicated regularly to stakeholders through reporting channels, including FARMC and the Governance Board.

4. Principles

4.1 Integration: CAIT Hi-Ed will embed risk management considerations into all strategic, operational, and project planning and decision-making processes to ensure it is an integral part of how the Institution operates

4.2 Proactivity and Prevention: The Institution will proactively identify, assess, and manage risks to prevent negative impacts and seize opportunities, rather than solely reacting to events after they occur.

4.3 Informed Decision-Making: Risk management activities will be based on the best available information, including data analysis, expert judgment, and stakeholder consultation, to support sound and defensible decisions.

4.4 Accountability and Ownership: Clearly defined roles, responsibilities, and authorities for risk management will be established and communicated across all levels of the Institution, fostering a culture of ownership.

4.5 Alignment with Objectives: Risk management efforts will be directly linked to the achievement of CAIT Hi-Ed's strategic and operational objectives, ensuring that resources are focused on managing risks that matter most.

4.6 Transparency and Communication: The Institution will maintain open and timely communication regarding its risk management framework, processes, significant risks, and mitigation strategies with relevant internal and external stakeholders, consistent with confidentiality and privacy requirements.

4.7 Continuous Improvement: CAIT Hi-Ed is committed to the ongoing review and enhancement of its risk management framework, policies, procedures, and practices, incorporating lessons learned and adapting to changing internal and external contexts.

4.8 Resource Allocation: The Institution will allocate appropriate resources, including

5. Procedures

5.1 Risk Assessment Procedure Risk assessments at CAIT Hi-Ed must occur during:

- Institutional strategic planning processes

- Project initiation, implementation, and review phases

- Significant operational or external environmental changes

5.2 The structured procedure includes:

- Scope Definition: Clearly outlining objectives, identifying relevant stakeholders, and assessing environmental factors influencing risk.

- Risk Identification: Documenting risks thoroughly, leveraging institutional data, industry insights, and stakeholder consultation.

- Risk Analysis: Utilising the CAIT Risk Assessment Matrix, consistently assessing each risk's likelihood and potential impact.

- Risk Controls Documentation: Detailing existing measures, identifying gaps, and recommending further mitigation strategies.

- Risk Monitoring and Reporting: Ongoing review and documentation in institutional risk registers, ensuring continuous alignment with strategic objectives. Risk registers must be accessible, regularly updated, and reviewed by senior management.

5.3 Capability Development and Continuous Improvement CAIT Hi-Ed ensures the ongoing development of its risk management capability by:

- Providing tailored training and professional development opportunities in contemporary risk management practices specific to higher education

- Allocating resources and appropriate technological tools for effective risk identification, assessment, monitoring, and reporting

- Conducting regular internal audits, reviews, and benchmarking against peer institutions to identify opportunities for improvement

- Establishing feedback loops to capture lessons learned, inform policy reviews, and enhance institutional resilience

6. Risk Management Capability

6.1 CAIT Hi-Ed will maintain a robust capability to manage risks, which includes:

- The Institution must maintain an appropriate level of capability to implement the Risk Management Framework and manage its risks. The nature and scale of this capability will be considered in the context of the Institution's current resource and capability profile and be commensurate with the characteristics and complexity of its risk appetite and risk profile.

- Continuous improvement of risk management practices will include regular review of the Institution's risks, the Risk Management Framework, the application of risk management practices, and implementation of improvements arising out of such reviews.

- Regularly upskilling staff in risk management principles and practices.

- Allocating adequate tools and systems for risk identification and monitoring

- Continually improving risk practices through internal audits, lessons learned, and benchmarking.

7. Reporting and Breaches

7.1 Reporting Requirements

Staff must report all identified risks in accordance with this Policy. Breaches of the Policy or Framework will be escalated and may result in disciplinary actions, up to termination of employment.

7.2 Continuous Improvement

This Risk Management Policy and Procedures and the associated Risk Management Framework, the Risk Appetite and Tolerance Statements will undergo annual reviews to ensure alignment with strategic objectives of CAIT HI-Ed and TEQSA Threshold Standards.

8.   Institution's Risk Assessment Matrix

In looking at Risk Analysis, CAIT Hi-Ed considered what are the risks facing the institution at all levels and how will these risks be identified and managed. Regarding each risk, the institution will consider:

- Which specific factors or events could impact on institution's ability to carry out its business?

- What is the potential impact of these risks?

- What are the consequences of these factors/events for the institution?

- What is the likelihood of these risks occurring?

- What specific actions will be taken to control, influence, manage or mitigate the identified risks?

- Who will be responsible for this?

The following risk rating table will be used in assessing the level of risk facing the institution at all levels:

Likelihood	Consequences				
	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (almost certain)	M	H	H	E	E
B (likely)	M	M	H	H	E
C (possible)	L	M	M	H	E
D (unlikely)	L	M	M	M	H

E (rare)	L	L	M	M	M

Level of Risk:

E   **Extreme** risk – detailed action/plan required with senior management attention

H   **High** risk – needs senior management attention

M   **Moderate** risk – specify management responsibility

L   **Low** risk – manage by routine procedures

9.   Authority and Compliance

File Number	HEP 108
Status	Current
Approval Authority	Governance Board.
Legislative Compliance	- Education Services for Overseas Students Act 2000 (ESOS Act); - Higher Education Standards Framework (2021); and - Fair Work Act 2009 - Work Health and Safety (WHS) Act 2011 - Anti-Discrimination Legislation - Privacy Act 1988 - Equal Employment Opportunity (EEO and Diversity Regulations
Supporting Documents	- CAIT Hi-Ed Risk Tolerance Statement - CAIT Hi-Ed Risk Assessment Template - CAIT Hi-Ed Risk Register Template - CAIT Hi-Ed Risk Treatment Plan Template - CAIT Hi-Ed Risk Reporting Template (for escalated/high risks) - CAIT Hi-Ed Risk Incident Reporting Form - CAIT Hi-Ed Risk Monitoring and Review Log - CAIT Hi-Ed Risk Communication and Escalation Log - CAIT Hi-Ed Risk Controls Effectiveness Review Template
Related Documents	CAIT Hi-Ed Risk Management Framework
Higher Education Standards Framework (Threshold Standards) 2021	- Standard 2.3 - Standard 5.3 - Standard 5.4 - Standard 6.1 - Standard 6.2 - Standard 6.3, ss 2(d) - Standard 7.3, ss 3
Education Services for Overseas Students (ESOS Act) and National Code of Practice for Providers of Education and Training to Overseas Students 2018	Standard 11; ss 1 - 3
Responsible Officer	Human Resource Manager/Officer
Responsible Executive	CEO.
Enquiries Contact	Human Resource Manager/Officer
Effective Date	
Expiry Date	Not applicable

Next Review	3 Years from the effective date

10. Review Schedule

This policy will be reviewed by the Governance Board every three years.

Version History			
Version No	Approved by	Approval Date	Revision Notes
1.0	Governance Board	9/5/2025	