University of Cambridge Risk Register (June 2004 version)

The University’s risk register follows, the first section is a tabular summary of the risks which are ranked and prioritised according to severity. The second section provides the full risk analysis for each risk, including raw and residual risk scores, control measures, risk indicators, further work required and risk tolerance scores.

The scoring matrix is as follows. Full explanations of each descriptor can be found in the “Size of Risk – Impact Guide”.

**Likelihood of risk**

1 – Very low  
2 – Low  
3 – Medium  
4 – High  
5 – Very high

If likelihood was assessed as very low (e.g. earthquake) it could be given a score of “less than 1” such that even highest impact risks could attract an overall score of “less than 5”.

**Impact of risk**

1 – Insignificant  
2 – Minor  
3 – Moderate  
4 – Serious  
5 – Very serious

**Total risk score (likelihood x impact)**

1 – 6  Low  
8 – 12  Medium  
14 – 20  High  
Over 20  Very high

**Definitions**

**Risk** - “the threat or possibility that an action or event will adversely or beneficially affect an organisation’s ability to achieve its objectives”, (HEFCE, 2001).

**Raw risk** - the level of risk faced by an organisation before any internal controls are applied.

**Residual risk** - the level of risk faced by an organisation after internal controls have been applied.

**Internal controls** - the processes, policies and procedures used to govern the University’s work or any additional controls or mitigating actions taken to deal with a particular situation. A judgement has to be made by the risk owner as to the numerical reduction to the raw risk score to produce the residual risk score.

**Risk owner** - an individual staff member, who is closely involved with the risk, is able to monitor the risk, initiate action if the risk becomes more serious, or escalate to senior management if necessary.

**Risk tolerance** - the amount of risk an organisation is prepared to tolerate before action is required.

**Risk indicators** - provide the risk owner with early warning that action may be required to mitigate that risk through stronger internal control or, if it is outside the University’s control to be aware of it and closely monitor. The Risk Steering Committee recommends a minimum of three risk indicators for each risk, however some owners may select four or five to assist them in monitoring.
Key Risk Register (to be viewed in conjunction with attached individual risk analysis sheets)

This is a dynamic document and is subject to change

<table>
<thead>
<tr>
<th>Risk Number: = 1</th>
<th>Risk: Staffing</th>
<th>Risk Owner – PVC (Human Resources)</th>
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<td>Residual Risk Score</td>
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<td>Residual Risk Score</td>
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<td>16/25 High</td>
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<td>Risk: Strategy</td>
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<th>Risk: University/College Interface</th>
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<td>Risk Owner – Director of Finance</td>
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<tr>
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<tr>
<td>Risk Number: 10</td>
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<th>Risk: Associated Bodies</th>
<th>Risk Owner – PVC (Special Responsibilities)</th>
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<td>Risk Owner – PVC (Education)</td>
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RISK: Staffing

OWNER: Pro-Vice-Chancellor (Human Resources)

DESCRIPTION: • Inability to attract quality staff, to retain the existing staff or offer ‘opportunity culture’ (career structure, development and advancement opportunities, glass ceiling measures). Salaries have been eroded in comparison to business/professional sectors over the last decade whilst the cost of living in Cambridge has increased faster than the national average. In the medium to long term could become very serious threat to the University’s ability to recruit and retain staff.

NUMERICAL ASSESSMENT

1. Likelihood: Erosion of salaries combined with increasing real costs of accommodation. Very high: 5/5

2. Impact – serious. Quality of staff is a key factor in the University’s future performance and reputation. 4/5

↑ Raw Risk is high: 20/25

CONTROL MEASURES

• Development of Human Resources Strategy and action plan.
• Improved promotion schemes for academic staff implemented.
• Paying relocation expenses.
• Extensive staff development programme.
• Further accommodation for staff being developed (in addition to property already available for rent)

RESIDUAL RISK

1. Likelihood: reduced by these measures and the unique nature of Cambridge but only partially because main issue is salaries, levels of funding elsewhere, working environment and investment in equipment. L = 4 (high).


↑ Residual Risk is high = 16/25
RISK INDICATORS

- Increase in migration of staff to competitors offering better packages (increase in number of staff ‘raids’).
- A sudden increase in staff turnover rates above normal expected levels.
- Low number of suitable applicants and positions remain unfilled for longer than normally expected.
- University remuneration package monitored against market rates for divergence.

FURTHER ACTION REQUIRED

- Ultimate solutions require significant improvement in University finances;
- update staff information system (CHRIS) to allow efficient monitoring of staff turnover by category;
- development of a reward policy which takes account of market forces;
- recruitment incentive payment scheme;
- proposed changes in career path structure allowing for external appointment to the post of senior lectureship and readership (currently only made up to these posts through promotion);
- common grading system;
- recruitment Incentive Payment –for senior professional staff;
- local market research / data to ensure comparison of salaries;
- promotion of more inclusive culture;
- managing the University’s image as a good place to work; and
- need to identify reliably the key staff categories/groups where the problems are most acute. Further measures could be considered (e.g. expansion of shared equity scheme).

RISK TOLERANCE

- Low - the University needs good quality staff but is constrained by the level of funding and the University’s financial health.
RISK: Research funding

OWNER: Pro-Vice-Chancellor (Research)

DESCRIPTION:
- Government policy with respect to allocation of resources - Cambridge is in top 4 with respect to total research income. Government may apply positive discrimination in favour of other HEIs with new slices of HEFCE Quality Related (QR) research income.
- Weak financial position of Medical Research Council and medical Wellcome Trust threatens research income. Proposals for full cost recovery may not favour Cambridge. Research overheads not adequately recovered. Poor record of Arts/Humanities in obtaining research funding. Failure to perform optimally in Research Assessment Exercise. Vulnerable to RAE poaching.

NUMERICAL ASSESSMENT

1. Likelihood: Although there are concerns in relation to government policy and the financial position of the funding agencies, the University has increased its research grant income significantly in the past three years. Nevertheless, inability to fund core facilities is a perceived weakness. Also uncertainty regarding RAE rules. Analysis of RAE outcome identified weaknesses in submissions: 4/5 (high)

2. Impact – serious
Research income forms an increasingly large fraction of University's income. Reduction in research income would impact seriously on University finances and reputation. Lack of research funding could lead to reduction in quality of research output. 4/5

Raw Risk is high: 16/25

CONTROL MEASURES

- RSD ensures appropriate overheads charged to research grants.
- Appointment of PVC (Research) to co-ordinate research policy and ensure optimal RAE submissions.
- Lobbying Government and non-Governmental organisations
by leading academics as well as University officials about level of funding and excellence.

- Increase commercial activity of the University and spin off ventures, as well as highlighting cutting edge research findings.

**RESIDUAL RISK**

1. Likelihood: temporarily no mitigation while clarification of College teaching Officers position with respect to the next RAE submission and major risk factors lie outside the University's control.
   
   \( L = 4 \) (high).
   
   Impact, unchanged = 4.
   
   Residual Risk is high = 16/25

**RISK INDICATORS**

- Disappointing RAE performance (disastrous outcome).
- Analysis and monitoring of reasons for success/failure in bids for research funding and monitoring Government Policy on research funding.
- Self-assessment shows problems.
- Fall in the position of the University in the league tables for research.
- Negative feedback from individual academics that application for research has been turned down.
- Feedback from major funders on reasons for success.
- RSD monitoring of proportion of research contracts meeting their recovery targets.
- Staff being poached.
- Analysis of CTO position when defined.

**FURTHER ACTION REQUIRED**

- Greater analysis of real costs of research.
- Endeavour to recover full cost of research from funders.
- Attempt to use SRIF and endowments strategically to maximise research funding opportunities.
- Also see Financial Health risk and Government HEI Policy risk.
- Urgent need for clarification of College Teaching Officers position re: next RAE

**RISK TOLERANCE**

- Low - fall in research funding, for whatever reason, would have a serious impact on the finances of the University, on staff morale and on reputation.
  
  Note that Government policy, which is outside the
University’s control, has a great influence. There is a long-term need to influence Government.
RISK No. = 3 - University of Cambridge Risk Register

RISK: Financial Health

OWNER: Pro-Vice-Chancellor (Planning and Resources)

DESCRIPTION: The University made a small deficit in 02/03 but this is predicted (by financial modelling) to increase in future years. The Chest deficit of £7M was offset by accumulated funds in Departments and Institutions indicating an imbalance in Chest/non chest expenditure. The University needs to turn the financial position around in the medium term to prevent strategic changes, knock on effects on quality, staffing and estates. Fundamental problem is the level of funding from Central Government has fallen 40% in real terms over the last decade and no longer covers the real costs of teaching. Forthcoming legislation on tuition fees will not wholly alleviate the problem. Unless the University turns its financial position around the longer-term consequences could include drastic changes such as a reduction in contact time for students and a reduction in staff.

NUMERICAL ASSESSMENT

1. Likelihood: high: 4/5
2. Impact – serious
   Lack of resources/deficit position will prevent investment in the University’s future. 4/5

↑ Raw Risk is high: 16/25

CONTROL MEASURES

• PRC Working Party and Resource Allocation Model (RAM) leading to better utilisation of existing resources. Improved financial information (management accounts) being presented to key committees and the Council with improved decision support analysis.
• Financial strategy that focuses on income streams, capital campaign and cost efficiencies.
• Dialogue with Government regarding funding and tuition fees.

RESIDUAL RISK

1. Likelihood: reduced by these measures but only partially because fundamental problem is the falling level of funding and rising costs of teaching. The existing quality of teaching cannot continue without additional resources. L = 3 (medium).
Residual Risk is medium = 12/25

RISK INDICATORS

- Monthly Management Accounts highlight forecast deficits and trends.
- Review of performance against budget and longer-term strategic targets identifies variances against budget.
- Poor performance of investments against benchmarked performers.
- Failure of capital projects to deliver within budget.
- Change in HEFCE funding formulae for teaching and research.

The severity of the risk should increase using these indicators, however the introduction of the RAM and changing attitudes has helped maintain its medium score.

FURTHER ACTION REQUIRED

- Further development of RAM.
- Closer analysis and monitoring of research and teaching costs and cost recovery.
- Close monitoring of government policy on funding to HEIs and trends in research funding, and its potential impact on the Universities finances.
- Improved understanding is required of the funds held in Departments and other institutions, the purpose of these funds and the future commitments made against them
- Improved use of endowment funds.
- Increase endowment via 800th campaign.

RISK TOLERANCE

- Low – the University needs a surplus for re-investment. Note that Government policy, which is outside the University’s control, has a great influence. The University does however have substantial (and increasing) assets. In the short term, balancing the I&E account should not be at the expense of the core mission of the University.
Risk No. = 3 - University of Cambridge Risk Register

RISK: Strategy

OWNER: Pro-Vice-Chancellor (Planning and Resources)

DESCRIPTION: • There is widespread understanding within the University of the vision and purpose of the institution. The University will remain a ‘bottom up’ organisation whose future success in research scholarship and teaching is best achieved through the initiatives of individual academics and institutions. Nevertheless, in the absence of a strategic planning framework goals may not be widely accepted, resources might be inappropriately directed and conflicting developments may be taken forward.

NUMERICAL ASSESSMENT

1. Likelihood: high: 4/5

2. Impact – serious
   Wasted resources lead to financial losses. Conflicting plans or plans lacking widespread support lead to conflict within the University and loss of confidence among staff and students as to the mission and purpose of the University.

   4/5

   † Raw Risk is high: 16/25

CONTROL MEASURES

A formal strategic planning framework has yet to be developed but partial frameworks exist within which rational planning can be achieved.

• An estates strategy identifies the University’s priorities for site development, estate size and estate management.
• The Resource Allocation Model and Financial Model will provide a widely understood financial framework within which planning can take place.
• Chairmen of Councils of Schools sit on Resources and Planning Committee. They, together with the newly appointed Pro-Vice-Chancellors, develop a broad understanding of the priorities and aspirations of different sections of the University.

RESIDUAL RISK

1. Likelihood: reduced by these measures but only partially because measures understood only at senior management level. A widely accepted framework needs to be developed.
   L = 3 (medium).

▲ Residual Risk is medium = 12/25

The score should reduce when plans have been received from Schools and Departments and when the process is widely understood.

**RISK INDICATORS**

- Major unresolved disagreement among Chairmen of Schools/Heads of Institutions as to future teaching/ research plans.
- Serious concerns in Regent House (ie signature collection/formal ballots) with respect to future plans.
- Major unresolved disagreements among members of Councils of Schools.

**FURTHER ACTION REQUIRED**

- Development of formal planning framework
- Further consideration of committee structure/membership to improve planning process and institutional representation.

**RISK TOLERANCE**

- Medium - the development of a restrictive strategic plan would not be accepted and would not serve the University well.

9/25
Success of Cambridge as a collegiate university depends on common sense of purpose and agreed strategic aims. External and internal pressures may lead to tensions between University and Colleges, and failure to co-operate:

Increasing numbers of academic staff have no college affiliation/little engagement in college activities, and poor appreciation of the role of colleges in the University.

Financial pressure results in a process of negotiation on college fee transfer and Memorandum of Understanding with in-built pressures.

University and Colleges compete in fund-raising.

Demands from HEFCE/Government on the University to develop access/admissions policy conflicts with independence of colleges.

Financial stringency in academic departments (and implementation of the RAM) creates pressure to expand post-graduate education and overseas student numbers in the absence of agreed education strategy.

Tension created by adverse publicity as a result of the activity of a college.

Increase in student numbers is putting pressure on the interface.

NUMERICAL ASSESSMENT

1. Likelihood: high – 4/5
2. Impact: serious – 4/5

Raw Risk is high: 16/25

CONTROL MEASURES

• College representation on key policy-making committees. Of limited value unless representatives can speak for all or most colleges.
• Appointment of PVCs with remit to develop policy in
conjunction with colleges.

- Attendance of Pro-Vice-Chancellor for Education at Senior Tutors’ Committees.
- Joint Planning and Resources/Colleges Standing Committee meeting more regularly to address matters of common interest and potential conflicts, and to formulate policy.
- Replacement of the Joint Admissions Committee and the Senior Tutors’ Standing Committee on Education with one Undergraduate Admissions Committee.
- Colleges’ working parties to consider the implications of the RAM in anticipation of consultations over the University’s Planning Survey.
- Memorandum of Understanding between the University and the Colleges for the 800th fundraising campaign.

RESIDUAL RISK

Likelihood: L = 3 (medium).
Impact, unchanged = 4.

Residual Risk is medium = 12/25

RISK INDICATORS

- Failure to develop or implement policy because of University/College disagreement.
- Failure of colleges to reach agreed position on policy issues.
- Proportion of academic staff without college affiliation increases or fails to decrease.
- Adverse publicity resulting from regulatory non-compliance or management failure by a college.
- Protracted negotiations on college fee transfer and Memorandum of Understanding.

FURTHER ACTION REQUIRED

- Development, with the colleges, of an agreed planning framework.
- University must improve its communication and ensure College co-operation in areas which threaten the University's reputation and it's ability to comply with HEFCE requirements: e.g. student numbers/records, compliance with agreed admissions policy.

RISK TOLERANCE

- Low 4/25
Risk No. = 3 - University of Cambridge Risk Register

RISK: Competition

OWNER: Pro-Vice-Chancellor (Planning & Resources)

DESCRIPTION: 
- The University is at, and wishes to remain at the forefront of world universities. It is in competition with the major private universities in the US, and closer to home with institutions such as Oxford, Imperial and UCL. In the long-term universities in, for example, China will emerge as competition.
- Current and aspiring competition will seek to attract outstanding staff, the highest quality students, and the attention and support of benefactors, businesses and governments.
- There is a risk that competition will move ahead in reputation, quality of academic output in research and education, financial capacity and physical resources. There is room for only a limited number of truly world-class institutions.

NUMERICAL ASSESSMENT

1. Likelihood – Competitive pressures from existing and aspiring universities will increase.
   High: 4/5

2. Impact – serious. Failure to keep up with the competition and ahead of aspiring institutions results in failure to achieve our aims.
   4/5

↑ Raw Risk high: 16/25

CONTROL MEASURES

- Strategic framework, Staffing and Financial Health managed as key risks
- Promotional activity
- Development Office

RESIDUAL RISK

1. Likelihood is not changed significantly, except to the extent that a robust determination to compete may reset the ambitions of competition.
   L = 3 (medium).


↑ Residual Risk is medium = 12/25
RISK INDICATORS

- International and national league tables
- Citations and prizes deterioration
- Benefaction levels decline
- Application rates of quality students – UK and overseas

FURTHER ACTION REQUIRED

- Analysis of strengths and weaknesses of existing and potential completion – academic, financial, etc
- Clear competitive positioning of Cambridge against competition.

RISK TOLERANCE

- Low. Recovery from a slipped position would be difficult and lengthy.
Risk No. = 7 - University of Cambridge Risk Register

RISK: Financial Information

OWNER: Director of Finance

DESCRIPTION: Insufficient or inadequate financial management information leading to poor decisions or no corrective action; management accounts only recently introduced and in need of ongoing development; little or no formal budgeting at departmental level.

NUMERICAL ASSESSMENT

1. Likelihood: high - 4/5
2. Impact: serious – 4/5

Raw Risk is high: 16/25

CONTROL MEASURES

- Introduction of monthly management accounts;
- use of business cases for new capital projects and 2 paper system for approving such projects;
- decision support analysis and strengthening of staff in Finance Division and in Schools and Departments.

RESIDUAL RISK

1. Likelihood: L = 3 (medium).

2. Impact, Control measures have reduced probability in light of improved financial management at School and Department level. “Green books” at School level and Departmental reports are now well established, School Finance managers are now in place, five year plans and Total Budgets are being introduced over 2004, the Oracle financial systems is being upgraded, analysis and control of capital projects has improved = 3. (moderate).

Residual Risk is medium = 9/25
RISK INDICATORS

- Inability to provide rapid and accurate financial analyses of significant past or expected financial events.
- Any negative feedback on accuracy from Council, Committees and other users.
- An increase in the number of year end adjustments from the External Auditors other than for financial statement disclosure.
- Refusal by budget holders to sign off accounts as details disputed.
- Inability of Schools/Departments to deliver 5 year strategic financial plans.

FURTHER ACTION REQUIRED

Ongoing process of improvement in systems continuing.

RISK TOLERANCE

- Low
Risk No. = 7 - University of Cambridge Risk Register

RISK: Government HEI Policy

OWNER: Pro-Vice-Chancellor (Planning and Resources)

DESCRIPTION: • University heavily dependant on Government funding and therefore has external regulation.

Current funding mechanisms provide additional resources to Cambridge and other top universities but there is pressure from UUK and the Russell Group for more equitable resource distribution. This is reflected by new HEFCE proposals for funding teaching and research.

This risk overlaps with 'financial health' risk.

NUMERICAL ASSESSMENT

1. Likelihood: Difficult to assess. Government policy claims to promote 'world class' universities, but HEFCE policies do not always reflect this claim : 4/5 (high)

2. Impact – serious
Reliance on Government funds leads to increasing need to comply with HEFCE demands (eg. SORP, QAA, HR). HEFCE regulations do not always fit easily with complex institutions and lead to tension between different parts of the University.

Reduced resource damages future strategy.

Raw Risk is high: 16/25

CONTROL MEASURES

• Lobby Government and HEFCE more effectively by joining forces with other top Universities.
• Reduce dependence on Government by increasing endowment income and overhead recovery from research.

RESIDUAL RISK

1. Likelihood: reduced by these measures but only partially because fundamental problem is the falling level of funding, rising costs of research and teaching, and fundraising being difficult. L = 3 (medium)

2. Impact, reduced in short term, HEFCE have announced no change in T-formula for the next 3 years and no change in research until 2008. = 3.
Residual Risk is medium = 12/25

In the short term impact reduced but could be an increase in severity in 2007/8, following the next RAE.

RISK INDICATORS

- Unfavourable results from Government transparency exercise.
- Difficulty in complying with HEFCE regulations.

FURTHER ACTION REQUIRED

- Increase fee income.
- Increase endowment income (800th Campaign).
- Make better use of endowments to support core activities and reduce dependence HEFCE funding.

RISK TOLERANCE

- Low - in the long term University needs to be less dependant on Government in order to secure its financial position and to avoid being exposed to changes in 'HE philosophy' by political groups.

6/25
RISK No. = 7 - University of Cambridge Risk Register

RISK: Student Access/Admissions Policy

OWNER: PVC (Education)

DESCRIPTION:
- Risk that the University admissions policy is perceived by Government/media to be elitist, discriminatory and non-transparent, particularly when selecting students from state sector (Government expectation of 65% intake from state schools).

  Risk to reputation, and potential financial risk due to withholding of HEFCE funds and adverse effects on fund-raising.

NUMERICAL ASSESSMENT

1. Likelihood: high – 4/5
2. Impact: serious – 4/5

Raw Risk is high: 16/25

CONTROL MEASURES

- Existing code of practice (399-Code of Practice for Undergraduate Admissions to the Cambridge Colleges);
- Guideline for admission interviewers (The Conduct of Cambridge Admissions Interviews: Guidelines for Interviewers)
- Media training;
- Improved publications;
- Press office involvement/Director(s) of Communications directly involved; and roadshows explaining admissions process designed to change potential students’ perceptions.
- Introduction of admissions test based on ability.

Likelihood and impact are reduced by these measures

RESIDUAL RISK

1. Likelihood: P =3 (medium).
2. Impact = 3 (moderate).

Residual Risk is medium = 9/25
RISK INDICATORS

- Increase in level of adverse publicity.
- HEFCE impose financial penalties in Block Grant allocation
- Failure to increase application rates from disadvantaged groups.
- Negative feedback from Schools/applicants.

FURTHER ACTION REQUIRED

- Monitoring of admissions, further outreach work, greater analysis of admissions information.
- Further development of transparent, easily understood application processes.
- Development of transparent bursary system

RISK TOLERANCE

- Low

6/25
Risk No. = 10 - University of Cambridge Risk Register

RISK: Governance

OWNER: Vice-Chancellor

DESCRIPTION: The Cambridge governance model encourages excellence in research and teaching through academic self-government but can incorporate elements of poor governance with regard to control and management. This can lead (has led?) to adverse publicity and reputational and financial harm. In the medium to long term could lead to serious inertia in decision making.

Governance problems include:
- complexity in decision making;
- complexity of committee structure leads to misconceptions as to the role and authority of individual bodies;
- inability of University Governance structure to quickly react to opportunities and threats in the external environment such as from competitors;
- lack of transparency and accountability across committees and other Executive bodies including Council;
- over committed Academics with limited support from trained professionals on Council and Committees; and
- level of investment in central administration.

NUMERICAL ASSESSMENT

1. Likelihood: high: 4/5

2. Impact – serious
Reputational harm and adverse publicity due to governance problems may lead HEFCE to require improvements. Lack of trust between staff and central bodies leads to loss of common purpose.

4/5

тип Raw Risk is high: 16/25

CONTROL MEASURES

Ongoing governance reforms include:
- clearer job description for the Vice-Chancellor;
- 5 Pro-Vice Chancellors to support the Vice-Chancellor, who are now having an impact; and
- reconstitution of Council to include external members, one to be the Chair of the Audit Committee.
RESIDUAL RISK

1. Likelihood: reduced by these measures but only partially because further reforms required L = 2 (low).


Residual Risk is medium = 8/25

RISK INDICATORS

- Negative external or internal publicity on poor governance.
- Conflict/disagreement between senior management and Council or Regents House over structure/governance.
- Inability of senior management team to function as an executive body.

FURTHER ACTION REQUIRED

- Develop Governance Strategy with a view to delivering a governance structure that retains the excellence associated with the University’s teaching and research with good internal control and management. In the short-term clarification of the roles of bodies, divisions and decision pathways/structure would improve transparency and accountability.

RISK TOLERANCE

- Low - the University needs robust governance to be able to respond to opportunities and threats, and provide transparency and accountability in its decision making. However control should not be so rigid as to impinge on academic freedom and activities.
Risk No. = 10 - University of Cambridge Risk Register

RISK: Student Experience

OWNER: PVC (Education)

DESCRIPTION:

- Quality of provision of undergraduate or post-graduate courses falls below expectation.

  Quality of pastoral care inadequate.

  Student expectation is increased as the costs of education rises.

  Shortage of funds may lead to decreased quality of provision. Implementation of RAM provides incentive to introduce post-graduate courses at marginal cost.

  Unsatisfactory student experience may lead to loss of reputation in relation to national and international competitors. Risk may be particularly high in the case of overseas students taking one-year courses.

NUMERICAL ASSESSMENT

1. Likelihood: high - 4/5
2. Impact: serious – 4/5

↑ Raw Risk is high: 16/25

CONTROL MEASURES

- Undergraduate course quality monitored closely by Education Committee.

- Progress of individual undergraduates monitored by colleges via Directors of Studies and supervisors. Pastoral care monitored by Tutors.

- Increased scrutiny of proposals for new post graduate courses by Education Committee and Board of Graduate studies in response to Strathern Report on M.Phil provision.

RESIDUAL RISK

1. Likelihood: L =2 (low).
Residual Risk is medium = 8/25

RISK INDICATORS

- Increase in use of complaints and appeals procedures about exam results above normal expected levels (exam procedures now more complicated, likelihood of errors higher)
- Failure rates higher on certain courses
- Falling application numbers for specific courses.
- Reports from Senior tutors of dissatisfaction with particular courses.

FURTHER ACTION REQUIRED

- Further analysis of quality of existing M.Phil courses.
- Dialogue with colleges as to the quality of pastoral care/progress monitoring for postgraduate students, particularly overseas students.
- Development of co-ordinated support for overseas students.

RISK TOLERANCE

- Low
Risk No. = 10 - University of Cambridge Risk Register

RISK: Associated Bodies

OWNER: Pro-Vice-Chancellor (Special Responsibilities)

DESCRIPTION:
- Many bodies are closely associated with the University but are subject to separate governance and management structures. They play an important role directly or in support of the University.
- The associated bodies include: UCLES, Cambridge University Press, Gates, Commonwealth, Overseas and similar trusts, Cambridge-MIT Institute, subsidiary companies such as CMIL.
- Colleges are associated, with particular risk of admissions and student care impacting the University.
- There are reputational risks deriving from the association. In particular the University is typically strongly represented in the management of associated bodies.
- There are financial risks since the University is supported by many of these bodies, or is implicitly responsible for their financial soundness.
- Associated bodies “borrow the Cambridge brand”
- Embedded companies require health and safety and other compliance.

NUMERICAL ASSESSMENT

1. Likelihood - reputational impact on the University
   Medium: 3/5

2. Impact – significant. Adverse impact of CMI association with University, or UCLES/OCR non-compliance or litigation would affect perception of Cambridge quality and government perceptions
   4/5

Raw Risk is medium: 12/25

CONTROL MEASURES

- University good practice extended to Associated bodies (eg risk management, audit committees)
- Appointment of sound syndics, trustees and directors and representation
- Monitoring of financial position by Finance Committee

RESIDUAL RISK
1. Likelihood: reduced by these measures, but independent culture of Cambridge keeps likelihood high.
   L = 2 (low).

↑ Residual Risk is medium = 8/25

RISK INDICATORS

• Adverse press comment (eg UCLES, CMI)
• Litigation instances (students, examinees, H&S)
• Financial results and trends

FURTHER ACTION REQUIRED

• Improved risk management in associated bodies
• Improve and open information flows between University and Associated Bodies
• Care in appointing University representatives to Associated Bodies

RISK TOLERANCE

• Low: the freedom of associated bodies is, in general, welcome, within good risk management and internal control arrangements

5/25
Risk No. 13 - University of Cambridge Risk Register

RISK: Health and Safety

OWNER: Director, Health and Safety Division

DESCRIPTION:

- On-going risk (short/medium/long term) requiring constant monitoring. If this risk were to crystallise to any great degree the medium to long term consequences could have serious financial and reputational damage.

Areas of concern include:

- non-compliance with Health and Safety law by University leading to loss of licence, other licensing issues, fines, penalties, reputational harm and loss of research monies;
- accident, injury or death to visitor, students or staff; and
- inability to keep abreast of changes in Health and Safety law across University as a result of lack of Health and Safety resources at departmental level and outstanding risk assessments.

NUMERICAL ASSESSMENT

1. Likelihood: Medium: 3/5
2. Impact – moderate
   Consequential damage as a result of this risk crystallising would cause the University some difficulties. 3/5

Raw Risk is medium: 9/25

CONTROL MEASURES

- Division of Health and Safety (Director and Safety Advisers) measures including Safety Office;
- Health and Safety network;
- H & S Director briefings to Health and Safety Executive Committee;
- web site/intranet;
- pamphlets/booklets;
- training;
- strategy for Safety Management;
- annual report and regular statistics and surveillance;
- regular audit of departments and other institutions initiated;
- full -time, well qualified Safety Officers appointed to Schools of Biology and Clinical Medicine;
• Two School safety officers, 4 permanent Health and Safety officers at the departmental level/ 2 further Health and Safety officers as second jobbers.

RESIDUAL RISK

1. Likelihood: reduced by these measures but only partially due to lack of resources. Number of health and safety staff may be too low. P = 2 (low)

2. Impact, unchanged = 3.

Residual Risk is low = 6/25

RISK INDICATORS

• Increase in numbers of incidents of non-compliance, breach of regulations or complaints above normal expected levels in a time period;
• increase in the rate of non-attendance of students and staff at training sessions; and
• unfavourable comparisons of University Health and Safety statistics/standards to that of other Universities.

FURTHER ACTION REQUIRED

• Review provision of safety officers at Departmental/School level.
• Embed health and safety considerations into decision making processes.

RISK TOLERANCE

• Low - the University requires good health and safety arrangements for safety of staff, visitors and students and for the protection of the University’s reputation. At the same time arrangements need to be appropriate so as not to impede teaching and research.

4/25
Risk No. 14 - University of Cambridge Risk Register

RISK: Balance between Arts & Humanities and Science & Technology

OWNER: Pro-Vice- Chancellor (Education)

DESCRIPTION:
- Inability to maintain the traditional balance between Arts & Humanities and Science & Technology through:
  - disproportionate amount of research money flowing to Science & Technology; Arts Councils have less funds to disseminate;
  - loss of educationally important subject areas
  - lack of “business case” for small Arts & Humanities departments; and
  - internal/external tensions and competitive pressures in favour of university with science and technology focus rather than broad based university.

NUMERICAL ASSESSMENT

1. Likelihood: There is considerable inertia in the system and any change would be slow. Major embedded institutions in the University such as the University Library and the Fitzwilliam Museum act as an important resource for Arts/humanities subjects. Colleges provide attractive facilities for Arts/humanities staff. Introduction of the RAM could increase likelihood.
   
   Low 2/5

2. Impact – serious

The University has always maintained a balance between Arts & Humanities and the mission statement states that Cambridge will remain a broad based University.

↑ Raw Risk is medium: 8/25

CONTROL MEASURES

- RAM includes specific mechanisms to transfer resource to Arts/Humanities. General Board and Council retain ultimate control of resource allocation and responsibility for academic development; and
- New building programme for Arts/Humanities.

RESIDUAL RISK

1. Likelihood: reduced by these measures but only partially because fundamental problem is the falling level of funding, rising costs of research and teaching, and fundraising being difficult.  
   
   L = 1 (very low).

Residual Risk is low = 4/25

**RISK INDICATORS**

- Shortage of funding, particularly in the context of the savings exercise and introduction of the RAM.
- Loss of top academics in Arts and Humanities, difficulties in recruitment.
- Failure to attract the top post graduate students.
- Loss or shrinkage of educationally important subject areas.

**FURTHER ACTION REQUIRED**

- Include desire to be a broad-based university as a core value.
- RSD assistance in identifying the greatest opportunities for Arts & Humanities research funds.
- Incorporate maintaining balance in Strategic Plan.

**RISK TOLERANCE**

- Low - the University is committed to maintaining a balance between Arts and Humanities but is aware that it is vulnerable to strong competition from focused institutions such as Imperial.