

National Film and Television School (the “School”) Risk Management Framework

1. Objectives

The School is committed to ensuring that it has a robust and comprehensive system of risk management in line with the requirements of the Office for Students, and follows good practice in risk management.

This framework enables the School to identify, assess and seize opportunities that assist in the delivery of its objectives and improve its performance, whilst protecting the reputation and sustainability of the School.

Risk management operates across the School and is central to the achievement of objectives and well-informed decision-making, whether at strategic, operational or project level.

The framework forms part of the School’s internal control and governance arrangements.

2. Definitions of Risk Management

Risk - the effect of uncertainty on objectives. This may also be expressed as a deviation from expected outcomes that could be positive (opportunity) or negative (threat).

Risk management - coordinated activities to direct and control the School with regard to risk.

Risk appetite - the amount of risk that the School is willing to pursue or retain.

Risk management framework - a set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the School.

3. Roles and responsibilities

Board of Governors

The Board of Governors has a fundamental role to play in the management of risk. Its role is to encourage an appropriate culture of risk management at the School. This includes:

- to set out the mission, strategic vision and approve the strategic plan of the School, including determining what types of risk are acceptable and which are not;
- setting the standards and expectations of staff with respect to conduct and probity;
- determine the appropriate risk appetite and level of exposure in specific areas for the School;
- approving major decisions affecting the School's risk profile or exposure;
- monitoring the management of significant risks;
- satisfying themselves that the less significant risks are being actively managed, with the appropriate controls in place and working effectively; and
- annually reviewing the School's approach to risk-management and approve changes or improvements to key elements of its processes and procedures.

Audit Committee

The Audit Committee is required to report to the Board of Governors on internal controls and alert the Board of Governors to any emerging issues.

The Audit Committee is delegated by the Board to keep under review the effectiveness of the management of risk, including academic risk, culture, control and governance arrangements. This will include reviewing the External Auditors' management letter, the Internal Auditors' annual report, and management responses; challenging risk owners on progress towards the mitigation of risks; and receiving and reviewing the School's Risk Register at each meeting.

In addition, the Committee oversees the Internal Auditors, External Auditors and Management, as required in its review of internal controls. The Committee is therefore well placed to provide advice to the Board on the effectiveness of the internal controls system, including the School's system for risk management.

Finance and General Purposes Committee

The Finance and General Purposes Committee is a standing committee of the Board of Governors and takes a lead on monitoring a number of risks. This includes:

- Financial – monitoring the income and expenditure of the curriculum and administrative activities of the NFTS and supporting services. Further, to report to the Board of Governors whenever necessary on banking operations, investments, cash statements and other matters relevant to the income and expenditure of the NFTS;
- Property – oversee the provision of property, services and amenities as may be necessary for the efficient running of the School;
- Donations - oversee donations made to the School and all philanthropic giving, referring any donations to the Ethics Advisory Group (see below) for consideration where they may pose a risk to the reputation or brand of the School; and
- Health & Safety – review the Health and Safety reports from the Health and Safety Officer and report any significant concerns to the Board of Governors.

Governance, Appointments and Remuneration Committee

The Governance, Appointments and Remuneration Committee is a standing committee of the Board of Governors. The Committee reviews regularly the effectiveness and governance structure of the Board and its committees and make recommendations to the Board with respect to the proper functioning of the Board and its committees, including professional development opportunities for Board members.

Academic Standards Committee

The Academic Standards Committee is the senior deliberative body of the School with responsibility to the Board of Governors for the regulation, governance and quality assurance of the academic work of the School. Its responsibilities include to ensure that the School is compliant with the regulatory requirements of the Office for Students, the OIA, other Government departments (including UKVI) and the requirements of its accrediting bodies.

Ethics Advisory Group

The Ethics Advisory Group (EAG) provides guidance on the ethical dimensions and implications of the School's activities, including arrangements for research, teaching and learning, staff and student production projects, and commercial

activities. In addition, the EAG will provide advice on other ethical matters, such as conflicts of interest; the giving and receipt of gifts and hospitality; donations and fundraising; responsible procurement; investment; and partnerships with external bodies or individuals.

The Senior Management Team

Key roles of the Senior Management Team:

- implement policies on risk management and internal controls;
- identify and evaluate the significant risks faced by the School for consideration by the Audit Committee and the Board of Governors;
- provide adequate information in a timely manner to the Audit Committee and Board of Governors on the status of significant risks and controls; and
- undertake regular effectiveness reviews of the system of internal controls and provide reports to the Board of Governors and its Committees, as appropriate.

Heads of Departments

Heads of Departments are responsible for:

- encouraging and implementing good risk management practice within their Department or sections (as appropriate);
- ensuring that the fundamental risks faced by the School are identified, assessed and monitored, using a risk register or equivalent; and
- ensuring that, when necessary, risks should be escalated for consideration via the Management Team.

Internal Auditors

The Internal Auditors provide independent and objective assurance that the School's risk management, governance and internal control processes are adequately designed and operating effectively. The internal audit strategy will be developed around the School's priorities and the assessment of fundamental risks. The work programme will include an assessment of the effectiveness of the risk management process.

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