

Annex 1 – Risk Appetite Statement – 2025



RISK APPETITE STATEMENT – 2025

This Risk Appetite Statement defines the level and nature of risk that the University of Sussex is willing to take in order to achieve our objectives. This statement will be reviewed annually by the Audit and Risk Committee, to reflect changes in the University's strategic and operating environment.

The University adopts the following 5 categories to define our risk appetite in the key areas below:

Risk Appetite Category	Definition
Risk Averse	It will be undesirable to take risks as any benefits from risk taking are likely to be negligible. Robust controls will be introduced to treat any unavoidable risks that may arise.
Cautious	Limited exposure to risks will be closely monitored and controlled as risk taking may have undesirable consequences leading to a decline in performance/sustainability.
Balanced	Risks may be taken, following careful analysis and with appropriate treatment and ongoing monitoring.
Open	Risks will be taken in order to develop, improve performance, harness opportunities and be competitive, with proportionate levels of control.
Risk Taking	Exposure to risks will support the fulfilment of key strategic priorities. Controls will support creativity and innovation as there will be significant benefits from risk taking.

Our risk appetite will be underpinned by our institutional value of courage, which states that we will be bold, innovative, creative and experimental when facing up to difficult challenges, and by the Sussex 2035 foundational principles of improvement and excellence, distinctiveness, accountability, ethical relations, adaptability and resilience, and financial sustainability.

This Risk Appetite Statement must be read as applying both to individual categories and holistically where categories interact or where there is any dependence between them.

Financial Sustainability

We will ensure financial sustainability and resilience for Sussex. We will deliver a reliable operating margin for strategic investment in our academic and institutional ambitions. We will ensure sustainable planned income growth from education, research, and innovation. The University of Sussex will accept a limited degree of financial risk in order to develop and improve; whilst overall, it will adopt a **balanced** approach towards financial risk, in order to maintain our financial sustainability.

Legal and Regulatory Compliance

The University operates in a highly regulated environment and intends to operate within the relevant legal and regulatory frameworks. Generally, the University will adopt a **cautious** approach and will not seek to take risks in relation to legal and regulatory compliance.

Environmental Sustainability

We will make Sussex an environmentally sustainable, biodiverse, net zero, transition university. The University will adopt a **balanced** approach to taking risks that enhance environmental sustainability, by improving the efficiency of our working practices and estates infrastructure.

Education and Student Experience

The University will create progressive futures through education and student life at Sussex. Through our strategic actions, Sussex will be a first-choice university for ambitious, creative, and forward-thinking students. We will support students from a diversity of backgrounds and experiences to access education at Sussex and we will enable all students to flourish whilst here and beyond. We will equip our students for global citizenship and for life and work in a changing world by embedding environmental sustainability, human flourishing, and digital and data futures in the curriculum. In partnership with our students, we will deliver improvement and excellence, in all aspects of education and student life. The University will be **open** to taking risks that will deliver high quality education programmes and an excellent student experience.

Research and Innovation

The University is a research-intensive institution. We will create progressive futures through our research and innovation. Through our strategic actions, Sussex will be a first-choice university for ambitious, creative, and forward-thinking researchers. We will contribute rigorous, impactful knowledge towards an environmentally sustainable, socially just, technologically empowered, healthy, and economically vibrant world. We will broaden and deepen our research and innovation partnerships to promote global knowledge equity, supported by open research practices. We will strengthen our research and innovation base to enhance excellence in research and innovation across all our disciplines and interdisciplinary fields. The University will be **open** to taking risks to promote and enhance our reputation for excellence in research and innovation.

Global and Civic Engagement

We will create progressive futures through our global and civic engagement. We will strengthen our global reputation as a destination for international students and as a higher education partner-of-choice, building strong and equitable partnerships in education and research. We will optimise civic engagement to maximise the visibility and impact of our work, catalysing interdisciplinary teams in education and research to respond to the challenges of our local and regional stakeholders, particularly in relation to environmental sustainability, human flourishing, and digital and data futures. We will establish global and civic engagement as a core part of our institutional work, fostering a culture of public service and community engagement, building collaboration with external organisations into our taught programmes, and recognising contributions to global and civic engagement in our career pathways. The University will be **open** to taking risks to promote and enhance the impact of our global and civic engagement.

Physical and Digital Estate

We will centre the development of our digital and physical infrastructure around the Sussex 2035 strategic themes of environmental sustainability, human flourishing, and digital and data futures, always seeking improvement and excellence, adaptability and resilience, efficiency, and financial sustainability, and preserving and making the most of our historic campus and our location on the South Downs and in The Living Coast UNESCO biosphere region. We will design the transformation and maintenance of our physical and digital infrastructure and services to meet the diverse, changing, and specialist needs of our whole community, developing state-of-the-art scientific facilities, and driving inclusion and accessibility for all. The University will adopt a **balanced** approach to risk to maintain and improve our estate and technological infrastructure in order to operate effectively and achieve our strategic objectives. The University is engaged in a programme of significant investment to transform our physical and digital and estate and associated risks will be controlled through robust project management, oversight and governance.

People and Culture

The University's people and culture are fundamental to our success. We face external and internal challenges, including an increasingly complex legal and regulatory environment, with evolving employment rights, regulatory obligations, and case law. We need to ensure that our ways of working, our policies and approaches to leadership and people management support the People and Culture goals of Sussex 2035. These factors, together with the need for agility in a highly competitive and dynamic sector, may require that we try new and different approaches, and so we will take an **open** approach to risk.

Risk Appetite Summary Table

	Risk Averse	Cautious	Balanced	Open	Risk Taking
Financial Sustainability					
Legal and Regulatory Compliance					
Environmental Sustainability					
Education and Student Experience					
Research and Innovation					
Global and Civic Engagement					
People and Culture					
Physical and Digital Estate					