

# Risk Management Policy

November 2020

Version	Authorisation	Date	Review due
1.0	ADS Board	26 Nov 2020	26 Nov 2022

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## Preamble

Anglican Diocesan Services (ADS) provides professional corporate services for Ministry Units, Diocesan Agencies and Schools which are specific to their requirements and ensure continuous improvement and efficiency in administration.

ADS is a strategic initiative of Bishop-in-Council, formed to be a key mission partner, for all the entities of the Anglican Diocese of Canberra and Goulburn. The work of ADS through the growth of mission partnerships ensures Bishop-in-Council has confidence in a challenging financial and complex regulatory environment.

ADS supports all people of our Diocese to be equipped and released to engage our world with the love and truth of Jesus. This policy is aimed at mitigating the risks associated with the work of the ADS.

The ADS Board carries the primary responsibility for risk management for Anglican Diocesan Services, under the authority of the *Anglican Diocesan Services Ordinance 2010* and has the responsibility for providing risk management services for Diocesan Agencies and Ministry Units and has oversight in these matters. This Policy provides the basis for the ADS to apply these same services to its own management and operations.

## Scope

This policy applies to all ADS personnel including Board members.

## Purpose

The ADS has developed this Risk Management Policy to:

- a) formalise our commitment to the principles of risk management by incorporating these into all ministry areas;
- b) promote a risk-aware culture where risk management is seen as a positive attribute of decision-making rather than a corrective measure;
- c) align and integrate planning, quality and risk management systems;
- d) ensure robust corporate governance practices effectively manage risk while allowing innovation and development;
- e) ensure all significant risks are identified, evaluated, managed and reported in a timely manner to the ADS Board; and
- f) ensure confidence in decision making, planning and the management of uncertainty and variability.

## Commitment

The ADS is committed to upholding and fulfilling its legal obligations and ethical responsibilities. The implementation and maintenance of a sound risk management process will assist the ADS to achieve these objectives.

Systematic risk management enables the responsible pursuit of opportunities and delivery of services while minimizing the potential for adverse consequences.

The ADS is committed to a best practice, holistic and systematic approach to risk management to identify and continuously improve its activities.

The ADS is committed to ensuring that effective risk management is an integral part of all organisational activities and a core management capability. To be effective, it is imperative that risk management is embedded in the organisational culture, planning and decision making.

## Policy

The ADS will manage risk in accordance with the international risk management standard AS/NZS ISO 31000:2018(E) Risk Management Guidelines.

Risk management will be integrated into all activities, including business planning, performance management, audit and assurance, business continuity management and project management.

## Risk Governance

The following table provides an overview of the roles and responsibilities within the Diocese:

ADS Board	The ADS Board carries the primary responsibility for risk management for the ADS. The Board is responsible for reviewing this policy every two (2) years. The Board's role includes oversight of the risk management system, reviewing internal control frameworks, reviewing the system for monitoring legislative, regulatory and policy compliance.
General Manager	Drives culture of risk management.
Director, Risk and Compliance	Continuously improving risk management policy, strategy and supporting frameworks.  Report to the General Manager and the ADS Board, Extreme and High rated incidents in a timely manner.  Provide an annual risk report to the ADS Board.
Director's forum	ADS Directors are responsible for the implementation of this policy through the risk management framework and ensuring all workers within their directorates comply with the risk management policy and foster a culture where risks can be identified and managed.
All other personnel	Comply with risk management policies and procedures and identify, analyse, evaluate, treat, monitor and communicate risks associated with activities undertaken (both during planning and implementation)

## Risk Profile

The risk profile of the ADS can be categorised as follows:

- a) Strategic;
- b) People;
- c) Reputation;
- d) Operational;
- e) Financial; and
- f) Governance.

The ADS will maintain procedures to provide ministry units and agencies with a systematic process to assist manage risks. These procedures will be consistent with the AS/NZS 31000:2009 – Risk Management – Principles and guidelines.

## Management of Risk

Risk will be managed wherever it occurs within the operational parameters of the ADS. The risk management process will entail:

- a) establish the context;
- b) identify the risk;
- c) analyse the risk;
- d) evaluate the risk;
- e) treat the risk; and
- f) monitor, review and report the risk.

## Risk Appetite

The ADS has no appetite for risks which have a residual risk rating of **extreme**. Risks which have a residual risk rating of **high** may be tolerated for a short period of time until the Board can determine whether the risk can be mitigated to an acceptable level.

Risks with a residual risk rating of medium or below are tolerable provided they are managed appropriately and regularly reviewed.

The following table details how risks at various ratings are to be managed.

<b>Extreme</b>	<p><b><i>Urgent and immediate action required.</i></b> Close monitoring by management. Report to the ADS Board immediately.</p> <p><i>Where an extreme WHS risk is identified the activity must be ceased or not proceed.</i></p> <p>Plans must be developed immediately to reduce this risk to a lower level. Responsibility for the risk must be allocated to a manager and monitored daily by the General Manager. The General Manager must brief the Board and provide regular updates.</p>
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<b>High</b>	<p><b>Urgent attention required.</b> Management to report to the General Manager and the Board.</p> <p>Risks must have strategies to reduce them to a lower level which are monitored by a Director to report monthly to the General Manager for consideration by the Board.</p> <p>Any risk which maintains a high rating for longer than three months is to be reviewed by the General Manager to consider recommending to the Board that the activity cease.</p>
<b>Medium</b>	<p><b>Attention required prior to activity.</b> Monitor and report to management on effectiveness of strategies to reduce risk.</p> <p>These risks are tolerable provided they are monitored on a regular 6 monthly basis.</p>
<b>Low</b>	<p><b>Watching brief required.</b> These risks are tolerable provided they are monitored on a regular 12 monthly basis.</p>
<b>Very low</b>	<p><b>No management action required.</b> These risks are tolerable provided they are monitored on a regular 12 monthly basis.</p>

## Risk Management Performance

The ADS uses various indicators to measure risk management performance. These indicators may include:

- the reduction in the number of high or extreme risks in the risk register;
- the reduction in the number of high or extreme risks incidents reported per annum;
- the number of internal and external audits completed per annum;
- the number of internal and external audit findings accepted by management;
- the timeliness of remediating internal audit findings; and
- the results of the risk review, monitoring and reporting process.

## Conflicts of Interest

Conflicts of interest will be managed through the conflict of interest guidelines contained in *Governance of the Diocese Ordinance 2000*.

## Awareness and training

Every effort will be made to provide appropriate and adequate training to promote and support this Risk Management Policy. The Director, Risk and Compliance is responsible for providing this training as required.

## Review and approval

This policy, shall be reviewed by the ADS Risk and Compliance Director every two years with consultation to Directors. Following the review, the Policy shall be submitted to the Board for approval.

## Compliance

All personnel are required to understand and comply with their responsibilities outlined in this policy and the Risk management procedures.

Non - compliance with this policy may result in disciplinary action up to and including dismissal.

## References /statutory references

- AS/NZS ISO 31000:2018(E) Risk Management Guidelines
- Governance of the Diocese Ordinance 2000
- Diocesan Administration Ordinance 1920

## Related documents

- Risk Management Framework (yet to be released)
- Risk Management Procedures (yet to be released)
- Risk Assessment Matrix (yet to be released)
- ADS Enterprise Risk Register (yet to be released)

## Feedback

Feedback on this policy can be emailed to [Business.Support@anglicands.org.au](mailto:Business.Support@anglicands.org.au).