



# POLICY

## Risk Management

September 2021

### 1. Policy Statement

Catholic Education Sandhurst Limited (CES Ltd) recognises the management of risks as a critical component of good governance.

CES Ltd is committed to adopting a strategic, consistent and enterprise wide approach to risk management in order to achieve an appropriate balance between realising opportunities and gains and minimising losses and ensuring that CES Ltd is able to achieve its strategic objectives.

Risk Management is an integral part of sound management practice and an essential element of good corporate governance and responsible stewardship, as it improves decision-making and enhances outcomes and accountability.

The CES Limited Board (CES Ltd Board) understands the importance of risk management as a major facet of good governance, where this policy further assists CES Ltd Board in extinguishing its obligations as a governing authority in abidance to *Ministerial Order No. 870: Child Safe Standards – Managing the risk of child abuse in schools*.

This policy applies to all areas of CES Ltd including its fifty-two (52) schools and three (3) office sites, to ensure a clear and transparent approach in managing risk for the betterment of staff, students, and school communities.

This policy is not applicable to the four colleges within the Diocese which are governed by Religious Institutes or Ministerial Public Juridic Persons.

### 2. Policy Description

CES Ltd bases elements of its Risk Management Program on *ISO 3100:2018 Risk Management – Guidelines*, where risk management is defined as “*coordinated activities to direct and control an organisation with regard to risk*”.

Risk arises in all aspects of CES Ltd’s operations and at all stages within the life cycle of those operations. Risk offers both opportunity and threat and must therefore be managed appropriately.

Risk Management refers to the set of principles, framework, culture, processes and coordinated activities to direct and control an organisation with regard to the many risks that can affect its ability to achieve its objectives. Effective risk management increases the likelihood of achieving objectives, identifying, and pursuing opportunities and avoiding or minimising unexpected harms.

Risk management also involves establishing an appropriate risk management infrastructure and culture and applying logical and systematic risk management processes to all stages in the life cycle of any activity, function, or operation. By minimising losses and maximising gains, risk management enables CES Ltd to best meet its organisational and strategic objectives.

### 3. Policy Objectives

The objectives of this policy are to:

- Outline CES Ltd's approach to risk management
- Ensure alignment with the Initial Directions of the Bishop September 2020
- Ensures that CES Ltd Board, as a schools governing authority, has risk management alignment to the CES Ltd governance structures and reflects CES Ltd Board's obligations under *Ministerial Order No. 870: Child Safe Standards – Managing the risk of child abuse in schools*
- Align CES Ltd with best practice *ISO 31000:2018 Risk Management – Guidelines*
- Establish the roles and responsibilities of CES Ltd staff in risk management
- Guide and direct compliance with legislation and regulation
- Inform the identification, reporting and rectification of non-compliance
- Ensure active rather than re-active management
- Provide confident and rigorous decision-making and planning
- Ensure the development of a more risk aware organisational culture through enhanced communication and reporting of risk
- Enable the identification of opportunities and threats
- Effective allocation and use of resources
- Provision of building stakeholder confidence and trust
- Provide a clear understanding by all staff of their roles, responsibilities, and authorities for managing risk
- Ensure consistent deployment of risk management throughout CES Ltd and its Schools.

## 4. Risk Management Obligations

Risk management at CES Ltd is guided by the International Standard *ISO 31000:2018 – Risk Management Guidelines* and the CES Ltd *Risk Management Framework* and seeks to comply with the following state and federal legislation (this is not an exhaustive list):

- *Education and Training Reform Act 2006 (VIC)*
- *Education and Training Reform Regulations 2017 (VIC)*
- *Ministerial Order No. 870: Child Safe Standards – Managing the risk of child abuse in schools*
- *Ministerial Order No. 706: Anaphylaxis Management in Victorian schools*
- *Child Wellbeing and Safety Act 2005 (VIC)*
- *Children, Youth and Families Act 2005 (VIC)*
- *Family Violence Protection Act 2008 (VIC)*
- *Wrongs Act 1958 (VIC)*
- *Charter of Human Rights and Responsibilities Act 2006 (VIC)*
- *Protected Disclosure Act 2012 (VIC)*
- *Crimes Act 1958 (VIC)*
- *Disability Discrimination Act 1992 (C'wealth)*
- *Fair Work Act 2018 (C'wealth)*
- *Privacy Act 1988 (C'wealth)*
- *Privacy Amendment (Enhancing Privacy Protection) Act 2012 (C'wealth)*
- *Privacy Amendment (Notifiable Data Breaches) Act 2017 (C'wealth)*
- *National Employment Standards*
- *Labour Market Assistance Award 2010*
- *Equal Opportunity Act 2010 (VIC)*
- *Occupational Health and Safety Act 2004 (VIC)*
- *Workplace Injury Rehabilitation and Compensation Act 2013 (VIC)*

## 5. Purpose

The policy in conjunction with the CES Ltd *Risk Management Framework* is intended to outline the structured process used by CES Ltd to identify potential risks, assess risks and to define the strategy for eliminating or minimising the impact of these risks, as well as the mechanisms to effectively monitor and evaluate these strategies.

CES Ltd has developed the Risk Management Framework, the framework establishes a consistent and consolidated management of all CES Ltd's risk management obligations, including:

- Definition of the objectives of the risk management program
- Definition of risk appetite
- Definition of the risk rating methodology, including the development of risk thresholds for defined risk consequences.

CES Ltd's Risk Management Framework provides the overall framework, direction and oversight for the systematic, disciplined and consistent identification, assessment of risks (including opportunities) and for transparent and efficient management.

## 6. Procedural Principles and Roles & Responsibilities

The CES Ltd Board, through the Child Safety, Audit and Risk Committee (CSARC) is responsible for overseeing and monitoring the assessment and management of risk and compliance, and has obligations as the schools governing authority as stipulated in *Ministerial Order No. 870: Child Safe Standards – Managing the risk of child abuse in schools*.

Risk is managed in accordance with CES Ltd's Risk Management Framework developed in 2020, by the Planning, Resources & Governance team in conjunction with the Executive Leadership (ELT). The Risk Management Framework is endorsed by the CSARC and recommended to the CES Ltd Board for approval.

The management of risk aligns with the CES Ltd's risk appetite, as approved by the CES Ltd Board.

The Risk Management Reference Group (RMRG) oversees the development of the risk appetite statement and advises the Executive Director on risk as it relates to strategy and objective setting.

The Executive Director with support from ELT oversees the CES Ltd's wide implementation of the following:

- Risk Management Framework that is consistent with *AS/NZS ISO 31000:2018 Risk management – Principles and guidelines*
- Compliance Management Framework that is consistent with *AS ISO 19600:2015 Compliance management systems – Guidelines* and supports CES Ltd's Regulatory Framework
- Business Continuity Program that is consistent with *ISO 22301:2012 Societal security – Business continuity management systems – Requirements*
- Risk management and compliance obligations are formally integrated into planning processes and management activities and incorporated into ongoing 'business as usual' practices by those with management responsibilities

- The RMRG is responsible for ensuring compliance breaches are monitored and reported
- ELT provides reports to the Board via the CSARC.

At CES Ltd managing risks is everyone’s responsibility. It applies to staff, Principals, the Executive Director and CES Ltd Board of Directors, all acting with integrity to achieve our objectives. We are accountable for the decisions we make or don’t make within our areas of responsibility. CES Ltd requires all staff to identify risks and escalate them to the relevant body or person and be responsible for implementing the corrective actions needed to address any risks.

CES Ltd will:

- Identify, assess, monitor, and report on risks
- Ensure risk management becomes part of day-to-day management and operations by instilling a risk-aware culture and acknowledging that ‘it can happen here’
- Support staff with training, policies, and procedures necessary to manage risks at an operational level
- Ensure members of the CES Ltd Executive Leadership Team are actively involved in risk management processes
- Allocate responsibility and resources for the management of risks
- Review our Risk Management Program annually and in response to any critical incidents
- Communicate the Risk Management Program throughout our organisation and our school community
- Adopt a continuous improvement philosophy.

The table below provides an overview of accountabilities pertaining to risk management at CES Ltd:

Accountability	Responsibility
<b>CES Ltd Board</b>	<ul style="list-style-type: none"> <li>• Oversight of the company’s legal obligations, compliance and risk management</li> <li>• Approve the Risk Management Program</li> <li>• Approve the Risk Appetite Statement</li> <li>• Approve the Risk Management Policy and Risk Management Framework</li> <li>• Forming the Child Safety, Audit &amp; Risk Committee (CSARC), with a comprehensive Terms of Reference to direct its work</li> <li>• Delegating appropriate responsibilities for Risk Management to the CSARC and the Executive Director</li> <li>• Ensuring that it receives and reviews regular reports from the CSARC and Executive Director on the risk profile of CES Ltd, the status of the</li> </ul>

Accountability	Responsibility
	<p>Risk Management Program, including the risk audit and reviews processes, as well as significant risks, injuries and incidents. Information on emerging risks should also be provided to the Board</p> <ul style="list-style-type: none"> <li>• Takes direct ownership of CES Ltd strategic risks.</li> </ul>
<p><b>Child Safety, Audit &amp; Risk Committee (CSARC)</b></p>	<ul style="list-style-type: none"> <li>• Authorising and reviewing the overall Risk Register</li> <li>• Providing regular reports to the CES Ltd Board on the status of the Risk Management Program. The Chair of the Committee, who will also be a CES Ltd Board Director will be responsible for this action</li> <li>• Review the Risk Management Policy and Framework, and endorse the documents for Board approval</li> <li>• Review the Risk Management Program, and endorse the Program for Board approval.</li> </ul>
<p><b>Executive Director</b></p>	<ul style="list-style-type: none"> <li>• Promoting a risk management culture within CES Ltd workplaces, and overseeing the implementation and maintenance of this Risk Management Program within CES Ltd workplaces</li> <li>• Ensuring CES Ltd policies and procedures designed to mitigate risks are readily accessible by staff</li> <li>• Ensuring that school leadership and CES Ltd staff have sufficient resources in place</li> <li>• Maintaining a consolidated Risk Framework and Register for all CES Ltd workplaces</li> <li>• Establishing clear delineations of lines of responsibility for managing the end to end risk process</li> <li>• Actively supporting Principals and other leaders in managing risk and in building a compliant Risk Management Culture</li> <li>• Monitoring changes across CES Ltd activities, and ensuring risks arising from any significant changes are assessed within the risk framework</li> <li>• Maintaining systems to ensure injury, incidents or risks identified as beyond the capacity of a school are managed and resolved effectively</li> <li>• Ensuring that any significant reportable injuries and incidents are actioned appropriately</li> <li>• Maintaining and managing effective channels of communication with schools and staff to support effective risk management practice</li> </ul>

Accountability	Responsibility
	<ul style="list-style-type: none"> <li>• Ensuring a regular audit and review process of risk management practice in all CES Ltd workplaces is maintained</li> <li>• Ensuring that regular reports on risk identification and management, injuries and incidents, and audits and reviews are provided to the CES Ltd Board</li> <li>• Reviewing this Risk Management Program at least annually and disclosing in each reporting period whether such a review has taken place.</li> </ul>
<b>Executive Leadership Team (ELT)</b>	<ul style="list-style-type: none"> <li>• Support the Executive Director with their Risk Management responsibilities</li> <li>• Ensure that their respective business areas are appropriately identifying and mitigating risk</li> <li>• Ensure that uncontrolled risks are escalated to the Executive Director</li> <li>• Ensure that risks are managed within CES Ltd's Risk Appetite</li> <li>• Incorporate risk management, including compliance obligations and business continuity management into business practises.</li> </ul>
<b>Risk Management Reference Group (RMRG)</b>	<ul style="list-style-type: none"> <li>• Maintain the Risk Management Framework with ELT oversight/input, to be approved by the Board through the CSARC</li> <li>• Ensure that the CES Ltd Risk Register is maintained</li> <li>• Provide assistance to CES Ltd business areas and Schools in risk management matters (including advice, training and other risk management processes)</li> <li>• Administer the Risk Management Platform</li> <li>• Conduct internal audits to support the management of risk and compliance obligations</li> <li>• Maintain the business continuity program.</li> </ul>
<b>School/College Principals</b>	<ul style="list-style-type: none"> <li>• Promoting a risk management culture within the school/college, with particular attention to Child Safety and OHS requirements</li> <li>• Ensuring school staff (and students, parents, volunteers where appropriate) are aware of the requirements and processes of all school safety policies and procedures</li> <li>• Ensuring the school's risk framework and register is maintained in alignment with the overall CES Ltd Risk Framework, with responsibilities and timelines allocated to designated roles</li> </ul>

Accountability	Responsibility
	<ul style="list-style-type: none"> <li>• Establishing clear delineations of lines of responsibility for managing the end to end risk process</li> <li>• Ensuring changes in school activities are continuously monitored and ensuring that risks arising from any significant changes are actively managed within the risk framework</li> <li>• Assistance is provided for school staff in conducting risk assessments in a timely manner, with a database of these maintained</li> <li>• Ensuring that risk controls and treatment plans are carried out efficiently and effectively, with risks appropriately mitigated</li> <li>• Reporting through CES Ltd’s channels to the Executive Director any significant incidents and injuries, as well as any risks identified as potentially severe or beyond the school’s capacity to manage</li> <li>• Preparing appropriate risk management reports for the attention of the school’s Leadership team, its Advisory Council, and other reports as dictated by the CES Ltd Board</li> <li>• Communicating with designated CES Ltd staff on the risk profile of the school/college</li> </ul>
<b>All staff</b>	<ul style="list-style-type: none"> <li>• Identify and mitigate risk – perform day to day activities in an informed manner adhering to relevant compliance obligations</li> <li>• Identify and mitigate compliance risks</li> <li>• Ensure compliance with relevant legal and regulatory obligations</li> </ul>

## 7. Review

This Policy is scheduled for review every two (2) years or more frequently if deemed appropriate by the CES Ltd Board.

## 8. Approval Authority

CES Ltd Board of Directors



## 9. Revisions made to this document

Date	Description of Revision(s)
[Insert text]	[New Document approved by CES Ltd Board]
[Insert text]	[Insert text]

## 10. Other Related Documents

- CES Ltd Risk Management Framework
- CES Ltd Occupational Health & Safety policy, and related protocols/procedures
- CES Ltd Child Safe policy, and related protocols/procedures
- CES Ltd Risk Register.