



Woodcroft/Morphett Vale Neighbourhood Centre POLICY STATEMENT

SUBJECT:	Risk and Audit
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Portfolio Area:	Risk and Audit	Document Ref:	PS R&A01(2018)
Applicable From:	May 2018	Version No.:	01

EFFECTIVE	ALTERATION(S):	AUTHORISED:	
DATE:		Signed/Title	Date:

REVISION SCHEDULE:

Scheduled for review: May 2020

1. SCOPE:

The purpose of this Policy Statement and related Operating Procedures relates to the Neighbourhood Centre's ("the Centre") risk management framework and internal controls. This policy is to assist the Management Committee ("the Committee") in fulfilling its responsibilities in overseeing the Centre's financial reporting, compliance and legal and regulatory requirements and overseeing the Centres systems of internal control and its risk management framework.

Management of risks to the Health, Safety and Wellbeing of all persons associated with the activities of the Centre is specifically regulated under the *Work Health and Safety Regulations 2012 (SA)* and is to be addressed in a subsidiary Operating Procedure.

2. POLICY STATEMENT:

The Committee is committed to a systematic Risk Management approach that creates focus on the things that we need to get right to achieve our outcomes. Our philosophy is that risk and opportunity management are the same; as every opportunity contains a level of risk. It is how we manage that risk which will then lead to great outcomes and achievements

The Centre's Risk Management methodology incorporates a holistic and structured approach to the identification and mitigation of business risks. This standardised risk approach covers strategic, operational, reputational, compliance and financial risks. The accountability for managing such key risks, rest with the Committee through the Delegated Authority and the Risk and Audit subcommittee.

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Management of risks to the Health, Safety and Wellbeing of all persons associated with the Centre's activities are managed in compliance with the subsidiary WHS Risk Management Operating Procedure attached to this Policy.

3. OBJECTIVES:

The objectives of this Policy Statement and associated procedures are to ensure that the Centre:

- meets the Centre's strategic and operational objectives while also minimising the impact of significant risks that the Centre can meaningfully and realistically control
- protects and enhances the Centre's reputation
- behaves as a responsible and ethical corporate citizen, protecting employees, volunteers, the Committee and the broader community from harm and protecting physical property from loss or damage
- establishes the right balance between the cost of control and the risks it is willing to accept as part of the community development environment within which the Centre operates
- recognises and makes the most of opportunities, and increases organisational efficiency and resilience in relation to risk management
- oversees the effectiveness of the systems of internal controls and audits and external auditing
- oversees the policies and procedures to ensure compliance to meet the Australian Service Excellence Standards

4. GUIDING PRINCIPLES:

The development of Operating Procedures under this Policy Statement is based on the following guiding principles:

- Risk and opportunity go hand in hand. Many projects or activities undertaken by the Centre intend to offer or achieve something that hasn't been done before. Community development cannot always be achieved without sometimes taking risk.
- Risk in itself is not bad. Sometimes risk is essential to progress and failure is often a valuable part of learning. The Centre will strive to balance the possible negative consequences of risk against the potential benefits of any decision, action or proposal.

The *Australian Standard for Risk Management - Principles and guidelines* (AS/NZ ISO 31000:2009) is based on eleven best practice principles. *The Work Health and Safety Act 2012 (SA)* and Regulations specify the risk management principles and procedures in relation to injury, health and wellbeing risks.

- **Creating and protecting value** – contributes to the achievement of our objectives and improves performance in for example work health and safety, legal and regulatory compliance, environmental protection, project management, efficiency in operations and or governance and reputation.

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- **An integral part of all organisational processes** – an integrated part of our governance, compliance, accountability, planning and reporting processes. Risk management is part of the Management Committee’s responsibilities and an integral part of processes such as strategic planning.
- **Part of decision-making** – risk awareness aids decision-makers to make informed choices and identify the most appropriate course of action.
- **Explicitly addresses uncertainty** – identifies uncertainty and how it can be addressed.
- **Systematic, structured and timely** – contributes to efficiency and to consistent and reliable results.
- **Based on the best available information** - draws on data, experience, expert judgment and stakeholder feedback to make evidence-based decisions.
- **Tailored** – aligns with the internal and external environment within which we operate and our risk appetite.
- **Human and cultural factors** – recognises that the capabilities, perceptions and aims of people (internal and external) can aid or hinder the achievement of our objectives.
- **Transparent and inclusive** – requires appropriate and timely involvement of stakeholders and decision makers to ensure that risk management stays relevant and up to date.
- **Dynamic, iterative and responsive to change** – responds to both internal and external events, results of monitoring and reviewing activities, new risks that emerge and others that change or disappear.
- **Continual improvement of the organisation** – supports the continuous improvement of our operations.

The success of risk management is dependent on the effectiveness of the Centre to provide the appropriate arrangements that will drive risk awareness throughout the organisation.

5. RESPONSIBILITIES:

The Committee is responsible to ensure risks are identified and controlled within their sphere of corporate influence.

The Committee is to ensure that meaningful consultation with employees, volunteers and Centre clients in the development, implementation and review of risk management Policies and Procedures.

The WHS Subcommittee is responsible for collation and coordination of WHS risk identification and assessment procedures, risk treatments and Risk Register.

6. RELEVANT DOCUMENTS:



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- The Australian Standard for Risk Management – Principles and Guidelines (AS/NZ ISO 31000:2009)
- *Work Health and Safety Act (2012) SA*
- *Work Health and Safety Regulations (2012) SA*

7. CONSEQUENTIAL DOCUMENTS:

The following documents have been developed as a consequence of this Policy Statement and to guide its implementation and should be read in conjunction with the following controlled documents:

- Risk and Audit Subcommittee Terms of Reference
- Risk Management Plan

APPROVED BY THE MANAGEMENT COMMITTEE			
This Policy Statement supersedes all other Policy Statements in relation to Risk and Audit and is applicable from the authorising date below.			
Authorising Officer	Position	Date	Signature
Irene Woodcock	Chairperson	21/5/18	<i>I Woodcock</i>