



## RCTC-P10\_25 RISK MANAGEMENT POLICY

### 1.0 OBJECTIVE

- 1.1 The Diocese of Townsville ('Diocese') is committed to the management of risk as a responsible steward of the gifts and resources under its care.
- 1.2 Managing risk proactively by adopting good risk management practices that respect the teachings and values of the Catholic Church, contributes to a contemporary Catholic community that is safe, supportive and compliant with all relevant laws.

### 2.0 SCOPE

- 2.1 The Policy outlines the Diocese's approach to risk management to develop an environment where, as far as reasonably practical:
  - Church personnel and other persons are not put at risk from activities undertaken by the Parishes, Ministries and Agencies of the Diocese;
  - The Diocese is protected from adverse incidents, exposure to harm is reduced and risk is mitigated and controlled;
  - The outcome of risk to the Diocese and the community is mitigated.

### 3.0 POLICY STATEMENT

- 3.1 To ensure the minimisation of any negative impact to the community, our people and our operations, the Diocese adopts a strategic, consistent and structured enterprise-wide approach to risk management.
- 3.2 The Diocese considers both external and internal factors when managing risks associated with the achievement of strategic and operational objectives.
- 3.3 The Diocese is committed to assessing and managing risk in accordance with the process set out in the Australian/New Zealand Joint Standard on Risk Management (ISO 31000:2018 Risk Management - Guidelines) which are adapted for our context (Schedule 1: Risk Management Process).
- 3.4 In alignment with the *Safeguarding Children and Vulnerable Adults Policy*, the Diocese has developed a *Safeguarding Risk Management Framework* containing procedures and processes to ensure all Church personnel understand their responsibility to safeguard.
- 3.5 The Diocese manages the diverse nature of its ministry and business undertakings across the Agencies as autonomous divisions. Each Agency is required to establish, implement, and review appropriate risk management governance either in alignment with the process in Schedule 1 of this Policy, or as necessary to meet the regulatory and service delivery requirements of the Agency. Agency policies and systems should not contradict the policies of the Diocese and must meet the reporting outlined in Schedule 2: Risk Management Roles and Responsibilities.

## 4.0 APPLICABILITY

- 4.1 The Policy applies to all Church personnel of diocesan Parishes, Ministries and Agencies. All employees and workers are required to be responsible and accountable for managing risk in so far as is reasonably practicable within their area of responsibility.

Some larger agencies (e.g. Catholic Education, Centacare NQ) will have their own risk management policy/process that meets their particular requirements and are in accord with the terms and intent of this Policy, including the reporting requirements in Schedule 2.

## 5.0 RESPONSIBILITIES

Policy Owner	The Policy Owner for all diocesan policies is the Bishop.
Policy Manager	The Policy Manager for this policy is the Diocesan Governance, Compliance and Risk Coordinator.
Communication	<ul style="list-style-type: none"><li>• The Policy Manager is to advise all Parishes, Ministries and Agencies covered by this policy and its enacted date.</li><li>• The Parish Priest or Parish Administrator is to advise the Parish staff and committees of this policy and its compliance.</li><li>• The Senior Executives are to provide advice and communicate this Policy to all Agency/Division staff and volunteers.</li></ul>
Compliance	<ul style="list-style-type: none"><li>• Each Senior Executive is responsible for implementing appropriate policy/systems/processes for their Agency/Division to effectively identify and manage the Risks that may affect the achievement of objectives and operational outcomes. Any extreme/high residual risk identified should be reviewed as requested by the appropriate Council.</li><li>• The Bishop is to be advised of any risk that remains at an unacceptable level.</li><li>• Non-compliance with this Policy should be reported to the relevant Senior Executive (or their delegate) and the Policy Manager who will report to the Bishop. In all instances of serious non-compliance matters the Bishop must be informed.</li></ul>
Monitoring and Review	The Policy Manager has responsibility to review the policy every three years (or sooner if required) to ensure it is compliant with relevant diocesan goals, legislation/regulation and diocesan requirements. The review will be undertaken in collaboration with Senior Executives.
Reporting	<ul style="list-style-type: none"><li>• Reporting requirements for ongoing management of risks across the Diocese are outlined in Schedule 2.</li><li>• The Policy Manager will report to the Bishop at the time of the policy review.</li></ul>
Accessibility	This policy will be available to external diocesan stakeholders and placed on the diocesan website.

## 6.0 SCHEDULES TO THIS POLICY

- Schedule 1 Risk Management Process  
Schedule 2 Risk Management Roles and Responsibilities  
Schedule 3 Risk Management Key Documentation  
Schedule 4 Risk Rating Matrix  
Schedule 5 Residual Risk Assessment and Mitigation Plans  
Schedule 6 Risk Management Templates

## 7.0 RELATED POLICIES AND/OR PROCEDURES

- Australian/New Zealand Joint Standard on Risk Management (ISO 31000:2018 Risk Management - Guidelines)
- Catholic Diocese of Townsville Compliance Management Policy
- Catholic Diocese of Townsville Safeguarding of Children and Vulnerable Adults Policy

Version Date	Enacted Date	Comments
August 2022	August 2022	Original Policy and Guidelines
June 2025	June 2025	Updated Policy. Guidelines rescinded.
Review Date:	June 2028	

Approved by:



Date: 12 June 2025

Most Rev Timothy Harris DD  
Bishop of Townsville

## DEFINITIONS

**Accountable:** Responsible to someone or for some action.

**Church Personnel:** A cleric, member of a religious institute or other person (other than a cleric or a member of a religious institute) who is employed by the Roman Catholic Trust Corporation for the Diocese of Townsville or engaged on a contract, subcontract, voluntary or unpaid basis. (Australian Catholic Safeguarding LTD: *National Response Protocol*)

**Controls:** A control is a measure that modifies risk, i.e. a specific action taken with the objective of reducing either the impact if the risk were to occur or the likelihood of the risk occurring.

**Inherent Risk:** The level of risk within the Diocese prior to consideration of existing mitigating practices/controls.

**Obligation:** An Obligation is a requirement specified by laws, regulations, codes, Canon Law or organisational standards.

**Residual Risk:** The level of risk that remains within the Diocese after consideration of all existing mitigating practices/controls.

**Risk:** The chance of something happening that will have an impact upon an organisation's objectives. Risk is measured in terms of consequences and likelihood.

**Risk Management:** Risk management is the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects within the Diocese and its Parishes, Ministries and Agencies.

**Risk Management Process:** The Risk Management Process is a document which provides a recommended structure and tools to implement risk management in accordance with the diocesan *Risk Management Policy*.

**Risk Register:** The Risk Register is a risk management tool which records the risk assessment of identified risks.

- **High-Level Risk Register:** The High-Level Risk Register highlights all risks (at a point in time) with a residual risk rating of high or extreme (Refer to S.1.4).
- **Strategic Risk Register:** The Strategic Risk Register outlines strategic risks, i.e. those high-level, enterprise-wide risks that correlate directly to the achievement of the Diocese/Agency Vision and Mission. It is prepared following analysis of both the internal and external environment. (Refer to S.1.4)

## SCHEDULE 1: DIOCESAN RISK MANAGEMENT PROCESS

### S.1.1 Overview

The Process provides a recommended structure and tools to implement risk management in accordance with the diocesan *Risk Management Policy*. The Diocese manages the diverse nature of its ministry and business undertakings across the Agencies as autonomous divisions. Senior Executives are required to establish, implement and review appropriate risk management systems, either in accordance with this process, or through an alternative system which meets the reporting requirements in Schedule 2. Priests and Parish Administrators are supported in developing risk registers and plans to best manage the risks of the Parish.

The Risk Management Process focusses on all risks from operational work health and safety risks, cascading upward to the management of high rating operational and strategic risks.

The International Standard AS/NZS ISO 31000:2018 defines risk as ‘the effect of uncertainty on objectives.’ Risk is most often expressed in terms of the source of the risk, a potential event and the likelihood of occurrence, combined with the consequence of the risk. The Diocese aims to effectively blend the Principles outlined in the ISO Standard with the mission of the Church to form the Diocese’s approach to risk management.

*Table 1: Risk Management Principles*

ISO Principle	Evidence in the Diocese
1. Creates value and protection for the organisation	The diocesan <i>Risk Management Policy</i> is a key component of the diocesan governance structure. The Policy requires a commitment to risk management across Parishes, Ministries and Agencies.
2. Facilitates continual improvement	Risk management will be discussed at diocesan leadership forums such as the Diocesan Finance Council (DFC), Diocesan Curia Leadership Group (DCLG) and relevant diocesan and parish councils.
3. Is integrated into organisational processes	Risk management is integrated into the Diocese through divestiture of responsibility for risk identification and ownership, coupled with an annual reporting schedule.
4. Tailored to organisation 5. Takes human and culture into account	The Risk Management Process is unique to the organisation and detailed in the Policy. Resources, including training and support, are available to implement the process.
6. Comprehensive, structured and timely 7. Transparent and inclusive	The diocesan Risk Management Process is structured and transparent. Leadership commitment and accountability is evidenced through reporting processes, and improvement will result from internal and external reviews.
8. Dynamic, iterative and responsive 9. Based on best available information	The <i>Risk Management Policy</i> and Process are regularly reviewed, and resources are allocated to these reviews.

*Diagram 1: Governance Model for Diocesan Risk Management* offers a ‘fit for purpose’ framework for the Risk Management Process.

Diagram 1: Governance Model for Diocesan Risk Management

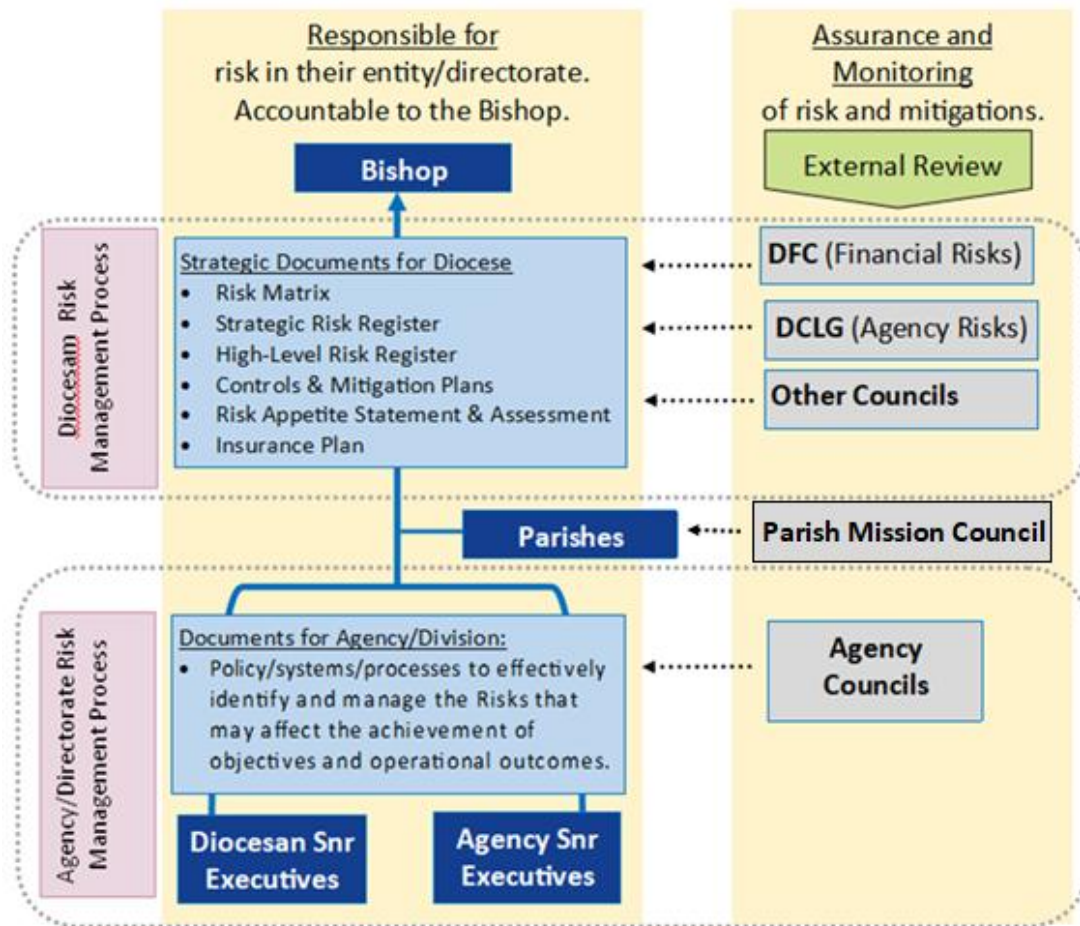
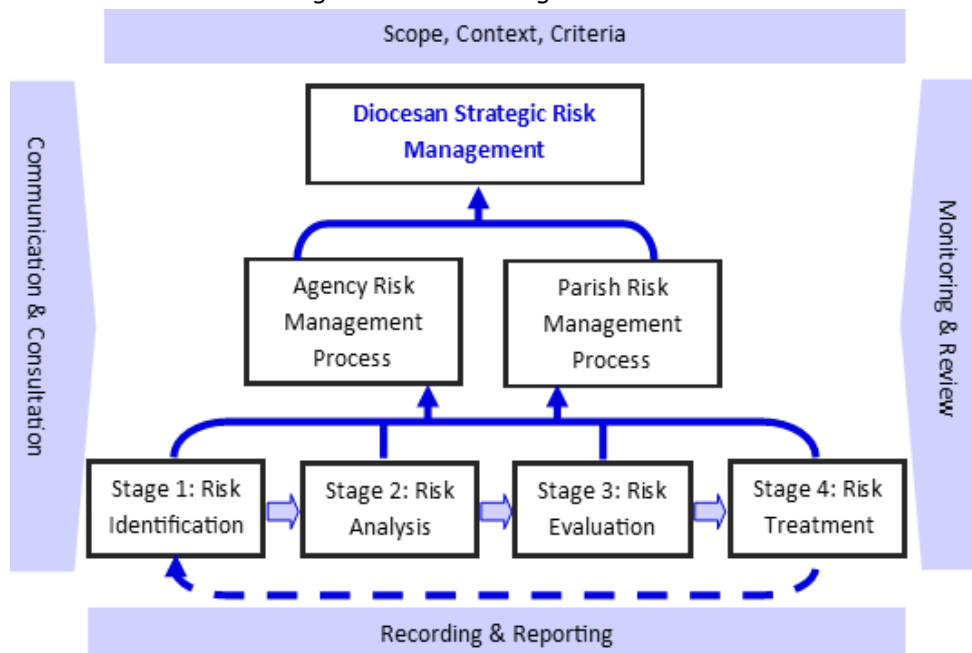


Diagram 2: Diocesan Risk Management Process is a representation of the process and assurance elements contained in the ISO Standard, illustrating the alignment of Parish and Agency/Divisional risk management to provide an overarching picture of diocesan strategic and high-level Risks.

Diagram 2: Risk Management Process



### S.1.2 Procedures for Risk Management – Safeguarding

In alignment with the *Safeguarding Children and Vulnerable Adults Policy*, it is important to recognise the requirement for specific forward planning to identify safeguarding risks. The *Safeguarding Risk Management Framework* should be read in conjunction with this process, to ensure that strategies are implemented to reduce the possibility of children and vulnerable adults being harmed.

### S.1.3 Stage 1: Risk Identification

This stage is the identification of when, where, why and how an issue or event could impact the Diocese. It will identify those possible issues or events that might impact operations and the organisation as a whole, and will be informed by a wide discussion of context. Identifying risk sources, areas of impacts, events, causes and possible consequences will form a comprehensive list of risks based on those events that might create, enhance, prevent, degrade, accelerate or delay in the achievement of objectives. Identification of risks can happen at any time. For the purpose of this process, diocesan risks will be categorised as follows:

Table 2: Diocesan Risk Categories

<b>Strategic</b>	Enterprise-wide risks that correlate directly to the Mission/Vision of the Diocese. These are categorized as: <ul style="list-style-type: none"><li>▪ Caring for our People (Safeguarding, WHS, Community safety)</li><li>▪ Legal</li><li>▪ Reputational</li><li>▪ Financial</li><li>▪ Political</li><li>▪ Significant Operational – Industrial, Technology, Service Delivery</li></ul>
<b>Operational</b>	Risks identified as affecting business units (e.g. Directorates, Agencies, individual parishes). These risks are more tangible, and the impact of the risk manifesting is often obvious within a short period (e.g. critical incidents in schools).
<b>Tactical</b>	These are project-specific risks, identification of which will contribute to the successful development and completion of projects.
<b>Assurance</b>	Risks identified during assurance and review activities, when internal or external audit provides an independent view of an activity or business unit.

### S.1.4 Stage 2: Risk Analysis

Analysis of risk will occur strategically and operationally and risks will be added to Risk Registers (Schedule 6: Risk Process Templates). The Risk Register incorporates risk assessment ratings, control and treatment categories, and confirmation of mitigation plans.

Schedule 4: Risk Rating Matrix is a tool for assisting in the assessment and prioritisation of risk within the Diocese and for providing consistency in the measurement and reporting of risk. The diocesan Risk Rating Matrix is approved by the Bishop and will be reviewed yearly. The Matrix considers two elements of risk:

1. Likelihood rating for risk occurring – this is an assessment of the potential frequency of an occurrence, which is calculated without consideration of known management controls and mitigating processes.
2. Consequence rating for risk occurring – this is an assessment of the potential risk to people, financial, reputation, compliance or business process/systems.



The following calculation then applies:

- Inherent Risk = Likelihood (without controls and mitigations) x consequence
- Residual risk = likelihood (based on current controls and mitigations) x consequence.

#### **S.1.5 Stage 3: Risk Evaluation**

Risk Evaluation involves an assessment of how critical the risk is when compared to all other potential risks faced by the Diocese. This evaluation stage is effectively a prioritising of each risk and its potential consequences. This stage also involves generating and considering future mitigation required to reduce the risk rating, if possible.

Diocesan risks will be classified and managed, in accordance with Schedule 5: Residual Risk Assessment and Mitigation Plans, as:

- Extreme: Immediate action and commitment of senior management. A Mitigation Plan is required.
- High: Senior management attention required and remedial action planned.
- Moderate: Management responsibility must be specified and accountability defined.
- Low: Managed by routine procedures such as quality management systems.

A *Mitigation Plan* outlines *Controls* and actions designed to address and where possible, lower the likelihood of the risk occurring. The level of risk identified during risk analysis informs the *Diocesan* and *Agency Risk Appetite Statements*. The Bishop is to be advised of any risk that remains at an unacceptable level.

#### **S.1.6 Stage 4: Risk Treatment (Mitigation Plans)**

The most important step in managing risk at any level of the organisation involves eliminating or minimising the risks so far as is reasonably practicable. For each risk, one of the following four courses of action will be adopted and recorded in the Risk Register:

- Accept the risk as an inevitable part of doing business and continue to monitor.
- Avoid the risk, such as removing the risk source or changing the likelihood, for example ceasing a service or not engaging in the area of business where the risk is concentrated.
- Transfer or share the type of risk, for example, through insurance, contract or outsourcing.
- Treat the level of risk through Risk Management Controls and Mitigation Plans to minimize the impact to the organisation.

A Risk Control will be chosen that most effectively eliminates or minimises the risk in the circumstances and recorded in the Risk Register. Types of controls to mitigate risk are:

- |                  |                                 |
|------------------|---------------------------------|
| - Elimination    | - Substitution                  |
| - Isolation      | - Engineering                   |
| - Administrative | - Personal Protective Equipment |

Many strategic and high-level risks are treated through administrative controls, which can be the introduction or improvement of systems and processes, capability and culture. Examples of administrative risk controls include, but are not limited to, those outlined in Schedule 6.

As a key mitigation strategy, the Diocesan Financial Administrator after consultation with the diocesan insurer and Senior Executives, will ensure adequate statutory and optional insurance cover is held across the Diocese including Parishes, Ministries And Agencies.

#### **S.1.7 Risk Recording and Reporting**

Effective reporting which captures core data and removes inconsequential information is critical in achieving targeted, relevant and measurable outcomes for managing risk. While risks are reported and reviewed formally on an annual basis, any risk may be identified, assessed, and recorded in the risk register at any time throughout the year. All diocesan personnel are encouraged to raise new risks as they emerge to ensure timely response and mitigation.

- Each year, Senior Executives will prepare for their Agency Council a review of the systems/processes for their Agency/Division to effectively identify and manage the risks that may affect the achievement of objectives and operational outcomes.
- The Diocese, in conjunction with the Senior Executives, will develop and maintain a Register of the Strategic and High-Level risks facing the Diocese. Each year, the DCLG and the DFC will receive for review:
  - Diocesan Strategic Risk Register
  - Diocesan High-Level Risk Registers and Controls and Mitigation Plans
  - Diocesan Risk Appetite Statements and Assessment
  - Diocesan Insurance Plan

#### **S.1.8 Risk Monitoring, review, communication and consultation**

Continual monitoring and reviewing of Risk Registers is essential to maintain the effectiveness and appropriateness of risk mitigation strategies, ongoing risk assessments and identification of emerging risks.

The risk management systems and processes adopted by Parishes, Ministries and Agencies should be supported through the provision of risk management awareness training, and specific training and education programs for personnel involved in risk identification and management.

#### **S 1.9 Assessing Risk Appetite**

The Diocese will develop and maintain a Risk Appetite Statement (RAS) for key activities aligned to strategic risk categories. A Risk Appetite Statement is a series of statements that describes the attitude toward risk taking and defines boundaries to inform decision making. It is an aspirational representation of where the organisation is at a point in time. It defines the tolerance levels of the Diocese, which will vary depending on the nature of the risk ranging from 'risk averse' to 'risk acceptance'.

Understanding the diocesan Risk Appetite involves attention to the Church, social and legislative environment. This ensures consideration of the internal and external factors that are critical to success, and the threats and opportunities related to the achievement of objectives.



## SCHEDULE 2 –RISK MANAGEMENT ROLES AND RESPONSIBILITIES

Role	Risk Management Responsibilities	Frequency
Bishop	<ul style="list-style-type: none"> <li>• Approve <b>Risk Management Policy</b>.</li> </ul>	Every three years
	<ul style="list-style-type: none"> <li>○ Approve: <b>Risk Rating Matrix</b></li> <li>○ <b>Diocesan Strategic Risk Register; Controls &amp; Mitigation Plan</b></li> <li>○ <b>Diocesan High-Level Risk Register; Controls &amp; Mitigation Plan</b></li> <li>○ <b>Diocesan Risk Appetite Statement and Assessment</b></li> <li>○ <b>Diocesan Insurance Plan</b></li> </ul>	Annually
Diocesan Finance Council and Diocesan Curia Leadership Group	<ul style="list-style-type: none"> <li>• Review <b>Risk Management Policy</b>.</li> </ul>	Every three years
	<ul style="list-style-type: none"> <li>○ Review: <b>Risk Rating Matrix</b></li> <li>○ <b>Diocesan Strategic Risk Register; Controls &amp; Mitigation Plan</b></li> <li>○ <b>Diocesan High-Level Risk Register; Controls &amp; Mitigation Plan</b></li> <li>○ <b>Diocesan Risk Appetite Statement and Assessment</b></li> <li>○ <b>Diocesan Insurance Plan</b></li> </ul>	Annually
Agency Councils	<ul style="list-style-type: none"> <li>• Review and endorse Agency risk management policies/systems/processes.</li> </ul>	Annually
Senior Executives	<ul style="list-style-type: none"> <li>• Implement policy/systems/processes for their Agency/Division to effectively identify and manage the risks that may affect the achievement of objectives and operational outcomes.</li> <li>• Provide advice and communicate this Policy to all staff and volunteers.</li> <li>• Receive reports of non-compliance and report all instances of serious non-compliance of this Policy to the Bishop.</li> </ul>	Ongoing
	<ul style="list-style-type: none"> <li>• Advise the Bishop of any risk that remains at an unacceptable level within their Agency/Division.</li> <li>• Review and submit identified risks and mitigations for: <ul style="list-style-type: none"> <li>○ <b>Diocesan Strategic and High-Level Risk Registers</b></li> <li>○ <b>Diocesan Controls &amp; Mitigation Plan</b></li> <li>○ <b>Diocesan Risk Appetite Statement and Assessment</b></li> </ul> </li> </ul>	Annually
	<ul style="list-style-type: none"> <li>• Coordinate risk management training within the Agency.</li> </ul>	As required
Diocesan Financial Administrator	<ul style="list-style-type: none"> <li>• Prepare the <b>Diocesan Insurance Plan</b></li> </ul>	Annually
Priests and Parish Administrators	<ul style="list-style-type: none"> <li>• Advise the Parish staff and committees of this policy and its compliance.</li> </ul>	As required
	<ul style="list-style-type: none"> <li>• Develop risk registers and plans to best manage the risks of the Parish, with support from the Diocesan Office.</li> </ul>	Annually
Diocesan Governance, Risk & Compliance Coord.	<ul style="list-style-type: none"> <li>• Policy Manager for the <b>Risk Management Policy</b>.</li> <li>• Advise all Parishes, Ministries and Agencies covered by this policy and its enacted date.</li> </ul>	Every three years
	<ul style="list-style-type: none"> <li>• Prepare/collate: <ul style="list-style-type: none"> <li>○ <b>Diocesan Risk Rating Matrix</b></li> <li>○ <b>Diocesan Strategic Risk Register; Controls &amp; Mitigation Plan</b></li> <li>○ <b>Diocesan High-Level Risk Register; Controls &amp; Mitigation Plan</b></li> <li>○ <b>Diocesan Risk Appetite Statement and Assessment</b></li> </ul> </li> </ul>	Annually
	<ul style="list-style-type: none"> <li>• Where required, facilitate risk management training and provide support for Senior Executives and relevant personnel.</li> </ul>	As required
External Review (external provider)	Third party review of <i>Risk Management Policy</i> and Process and nominated mitigations	Every two years
	Produce Risk Management Health Check, to determine the adequacy of nominated controls, and identification of risks	Every two years

## SCHEDULE 3: DIOCESAN RISK MANAGEMENT KEY DOCUMENTATION

Documents	Purpose	Responsibilities	Frequency
<ul style="list-style-type: none"> <li><b>Risk Management Policy and Process</b></li> </ul>	Outlines the Diocese's commitment to manage risk, focusing on strategies to minimise risks in the delivery of its mission and objectives.	<u>Prepared</u> by DGR&CC <u>Reviewed</u> through policy consultation process <u>Approved</u> by Bishop	3 yearly review
<ul style="list-style-type: none"> <li><b>Risk Matrix</b></li> </ul>	Tool for assessing/prioritising risk within the Diocese and for providing consistency in the measurement and reporting of risk.	<u>Prepared</u> by DGR&CC <u>Reviewed</u> by DCLG and DFC <u>Approved</u> by Bishop	Annual Review
<ul style="list-style-type: none"> <li><b>Diocesan Strategic Risk Register</b></li> <li><b>Diocesan Strategic Controls &amp; Mitigation Plan</b></li> </ul>	All strategic risks identified in the Risk Management Process by Parishes, Ministries and Agencies will be reflected in the Diocesan Strategic Register. All diocesan strategic risks will have controls and a mitigation plan.	<u>Identified</u> by Senior Executives (DCLG) <u>Collated</u> by DGR&CC <u>Reviewed</u> by DCLG and DFC <u>Approved</u> by Bishop	Presented to DFC and DCLG annually
<ul style="list-style-type: none"> <li><b>Diocesan High-Level Risk Register</b></li> <li><b>Diocesan High-Level Risk Controls &amp; Mitigation Plan</b></li> </ul>	All high-level risks identified in the Risk Management Process by Parishes, Ministries and Agencies will be entered onto the Diocesan High-Level Risk Register. All diocesan high-level risks will have controls and a mitigation plan.	<u>Identified</u> by Senior Executives <u>Collated</u> by DGR&CC <u>Reviewed</u> by DCLG and DFC <u>Approved</u> by Bishop	Presented to DFC and DCLG annually
<ul style="list-style-type: none"> <li><b>Diocesan Risk Appetite Statement &amp; Assessment</b></li> </ul>	A statement for each diocesan strategic risk outlining the amount of risk the Diocese is willing to take in pursuit of strategic objectives.	<u>Prepared</u> by DGR&CC <u>Reviewed</u> by DCLG and DFC <u>Approved</u> by Bishop	Presented to DFC and DCLG annually
<ul style="list-style-type: none"> <li><b>Diocesan Insurance Plan</b></li> </ul>	Ensures ensure adequate cover is held across the diocesan Parishes, Ministries and Agencies.	<u>Prepared</u> by DFA <u>Reviewed</u> by DCLG and DFC <u>Approved</u> by Bishop	Presented to DFC and DCLG annually
<ul style="list-style-type: none"> <li><b>Agency Risk Management Policy/ System/ Process</b></li> </ul>	Process developed and implemented by Agencies, in alignment with the <b>Risk Management Policy</b> .	<u>Prepared</u> by Agency Senior Executive <u>Reviewed</u> by Agency Council	Annually

DFC - Diocesan Finance Council

DFA – Diocesan Financial Administrator

DCLG - Diocesan Curia Leadership Group

DGR&CC – Diocesan Governance, Risk & Compliance Coordinator

## SCHEDULE 4 –RISK RATING MATRIX

			Likelihood				
			Rare	Unlikely	Possible	Likely	Almost Certain
			<i>Control failures or repetitive risk events during operations:</i>				
			Possibility of occurrence <5%	Possibility of occurrence 5%-25%	Possibility of occurrence 25%-50%	Possibility of occurrence 50%-75%	Possibility of occurrence >75%
			<i>Discrete risk events, e.g. cyclone, failure to meet strategic objectives, loss of key personnel:</i>				
			May occur less than once in 15 years	May occur at least once in 5-15 years	May occur at least once in 2-5 years.	May occur at least once in a year	May occur multiple times in a year
Consequence	Critical failure to deliver services and achieve mission and/or meet legislation. Serious harm/death.	Extreme	HIGH	HIGH	HIGH	EXTREME	EXTREME
	Breakdown in key activities leading to significant reduction in services/loss of mission.	Major	MEDIUM	MEDIUM	HIGH	HIGH	EXTREME
	Some impact on core services, addressed at an operational level	Moderate	LOW	MEDIUM	MEDIUM	HIGH	HIGH
	Minimal impact on non-core services, addressed within routine operations	Minor	LOW	LOW	MEDIUM	MEDIUM	HIGH

## RISK CONSEQUENCE TABLE

	RISK CATEGORIES				
	STRATEGIC	REPUTATIONAL	OPERATIONAL		
			Financial	Compliance or Legal Liability	Service Delivery, People, WHS, IT
EXTREME	Vision would not be achieved.	Impact on reputation from a national/state perspective, wider community welfare perspective.	Gain or loss of assets, annual revenue of >\$7 million.	Sustained/serious non-compliance with legislation that has funding impacts + / or results in prosecution.	Impact on majority of critical projects / programs.
	Ongoing gain or loss of critical infrastructure.	Sustained negative / positive publicity or damage improvement.	30% deviation from program budget.	Failure / breach of multiple controls, policies, code conduct/ ethics.	Death due to injury / illness or no deaths.
	Significant impact on ability to meet governance, accountability or strategic objective.			Compliance < 95%.	Interruption to services including IT (>1 month) or multiple IT security related incidents.
MAJOR	Major impact on ability to achieve strategic objective (25 - 30%).	Impact on reputation from a national/state perspective, wider community or community welfare perspective.	Gain or loss of assets, annual revenue \$1-\$7 million.	Failure to comply with legislative / regulatory requirements that result in fines / common law action.	Impact on key requirements of a major project / programs.
	Temporary gain or loss of critical infrastructure - medium to long term.	Short term negative / positive publicity or damage / improvement.	15%-30% deviation from program budget.	Significant breach of policies, code of ethics / conduct.	Serious injury or illness- Lost Time Injury (LTI), permanent disability, frequency rate and or severity rate reduced or increased.
				Compliance > 90%.	Interruption to services (1 week-1 month) or IT related security incident.
MODERATE	Minor impact on ability to achieve strategic objectives (10%-25%).	Impact on reputation to specific audience which may not have long term or	Gain or loss of assets, annual revenue \$250,000-\$1 million.	Regulatory breach that results in letter to management.	Effectiveness and efficiency of major activities / programs.
	Adjustment to resource allocation & service required to manage impact- recovery is medium term.	Brief negative or positive publicity or damage / improvement.	10%-15% deviation from program budget.	Breach of code of ethics / conduct.	Injury/illness-medically treated injury (MTI) frequency rate and / or severity rate reduced or increased.
				Compliance improvement of 10%.	Interruption to services < 1 week or moderate improvement.
MINOR	Negligible impacts on critical objectives.	Minor unsubstantiated negative / positive publicity or damage / improvement to	Gain or loss of assets, annual revenue <\$250,000.	Breach of policy, little or no impact to code of ethics / conduct.	Effectiveness and efficiency or minor activities / programs.
	Impact can be managed through routine activities- recovery short term.		< 10% deviation from program budget.	Compliance improvement of 5%.	Minor lost time injury / illness frequency rate reduced or increased.
					Minor delays or improvements to services.

## SCHEDULE 5: RESIDUAL RISK ASSESSMENT AND MITIGATION PLANS

The following figure sets out a methodology for assessing and treating residual risks.



### Control Effectiveness Rating

	Good (1)	Fair (2)	Poor (3)
<b>Control Effectiveness Rating</b>	Current controls will identify risk occurrence or prevent it, enabling effective management.	Current controls have a reasonable chance of preventing or detecting risk occurrence to enable effective management.	Minimal chance of current control framework preventing or detecting risk occurrence to enable effective management.

## SCHEDULE 6: RISK MANAGEMENT TEMPLATES

### S.6.1 Risk Register Template

Risk Category↓	Description	Likelihood	Consequence	Risks Rating	Risk Treatment↓	Risk Control↓	Mitigation Plan Prepared (Y/N)
	<u>Risk Statement:</u> <event> caused by <caused by> resulting in <consequence> <u>It's about:</u> <dot point description> <u>Consequences:</u> <u>Current Mitigations:</u>						
	<u>Risk Statement:</u> <event> caused by <caused by> resulting in <consequence> <u>It's about:</u> <dot point description> <u>Consequences:</u> <u>Current Mitigations:</u>						

#### Risk Category Options:

- Caring for our people (WHS, (safeguarding, communities)
- Financial
- Political
- Industrial
- Compliance/Legal Liability
- Reputational
- Operational/Service Delivery
- Technology

#### Risk Treatment Options:

- Accept the risk as an inevitable part of doing business and continue to monitor.
- Avoid the risk, such as removing the risk source or changing the likelihood, for example ceasing a service or not engaging in the area of business where the risk is concentrated.
- Transfer or share the type of risk, for example, through insurance, contract or outsourcing.
- Treat the level of risk through risk management controls and Mitigation Plans to minimize the impact to the organization.

Risk Controls	Explanation and Application
Elimination	The most effective control measure involves eliminating or removing the hazards which would contribute to the risk.
Substitution	Substitute the hazard with something safer. (e.g. replace solvent-based paints with water-based ones or replacing an outdated alarm system with something more effective).
Isolation	Isolate the hazard from people. This involves physically separating the source of harm from people by distance or using barriers.
Engineering	An engineering control is a control measure that is physical in nature, including a mechanical device or process. For instance, use mechanical devices such as trolleys or hoists to move heavy loads; place guards around moving parts of machinery.
Administrative	These are most common for many strategic and behaviour-driven risks. Administrative controls include work methods or procedures designed to minimise exposure to a risk as well as the information, training and instruction needed to ensure improved processes are used.
Personal Protective Equipment	Examples of PPE include ear muffs, respirators, face masks, hard hats, gloves, aprons and protective eyewear.



#### Examples of Consequences: (what is our mission?)

- Serious harm/death      - Legal action and financial penalties
- Damage to reputation leading to loss of service/financial impact/loss of customers/recruitment and retention issues
- Loss of services          - Declining Catholic Identity

#### Examples of administrative risk controls

##### **Directive/Compliance**

- Directives to staff
- Investigations
- Audits (internal and external)
- Audits (financial and non-financial)
- System review and improvement
- Process review and improvement
- Scenario planning
- Resource allocation
- Ease of access to important information
- Delegation of responsibility/organization structure
- Project management

##### **Compliance**

- Training Professional development
- Inclusion in position description
- Robust recruitment
- Researching and adopting best practice standards
- Changes in practice
- Workload management
- Prioritization and goal setting
- EAP and employee support services
- Performance appraisal
- Performance management
- Upskilling staff/building competence
- Performance reporting
- Performance accountability

##### **Governance**

- Policies
- Procedures
- Guidelines
- Frameworks
- Strategic plans
- New systems

##### **Communication**

- Offering feedback
- Communication planning
- Stakeholder liaison
- Meetings
- Establishing Working Groups

### S.6.2 Risk Control and Mitigation Plan Template

<b>Risk description:</b>				<b>Date (year) Identified:</b>	
<b>Risk Control:</b>		<b>Current Risk Rating:</b>		<b>Rating after mitigation:</b>	
<b>Mitigation Strategies</b>			<b>Respons. Person</b>	<b>Completion date</b>	<b>Notes</b>
<b>Strategy 1</b>					
<b>Strategy 2</b>					
<b>Strategy 3</b>					
<b>Strategy 4</b>					