



## ARCHDIOCESE OF BRISBANE

---

### ARCHDIOCESAN RISK MANAGEMENT POLICY

#### 1. Objective:

The Archdiocese of Brisbane is committed to the management of risk as an integral part of its operations, focusing on strategies to minimise risks in the delivery of its mission and objectives.

The objectives of this policy are to:

- outline the Archdiocese's approach to risk management;
- improve decision-making, accountability and outcomes through the effective use of risk management;
- integrate risk management into daily operations of the of the Archdiocese;
- consider the risk attitude in strategic and operational decision making; and
- ensure that the various important differences between Agencies, including size, number of employees, responsibilities to regulators and obligations to government are recognised and taken into account in the application of this policy.

#### 2. Scope:

- 2.1 This policy applies to all areas of the Archdiocese and includes all staff, officers and volunteers of the Archdiocese and its Agencies.
- 2.2 This policy acknowledges that the Archdiocese has an obligation to be a good steward of the gifts and resources given to it – safeguarding them, cultivating them responsibly and using them to support the Mission of the Church.
- 2.3 Canon law requires administrators to be good stewards by protecting assets and complying with canon law and civil law and the wishes of donors.

Can. 1284

§1 *All administrators are to perform their duties with the diligence of a good householder.*

§2 *Therefore they must:*

*2° ensure that the ownership of ecclesiastical goods is safeguarded in ways which are valid in civil law;*

*3° observe the provisions of canon and civil law, and the stipulations of the founder or donor or lawful authority; they are to take special care that damage will not be suffered by the Church through the non-observance of the civil law.*



- 2.4 Civil laws to which the law of the Church yields are to be observed in canon law with the same effects, insofar as they are not contrary to divine law and unless canon law provides otherwise. (Can. 22)

### **3. Policy Statement:**

- 3.1 The Archdiocese is committed to managing risk as a responsible steward of the gifts and resources under its care, in order to better serve the Church and community in pursuance of its Mission.
- 3.2 The Archdiocese 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 policies prescribing methodology to assess risk and implement mitigations and internal control systems to best manage the business risks of the Agency.
- 3.3 The Archdiocese is committed to 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) in order to benefit the Archdiocese and its Agencies in managing the cost of risk.
- 3.4 The Archdiocese will develop and maintain a Risk Attitude Statement (RAS). The Risk Attitude Statement will be broadly articulated for key activities aligned to the Archdiocese's risk categories and enables the alignment of risk to its strategic and operational objectives. For the current Risk Attitude Statement for the Archdiocese refer to Attachment AD11\_A2.
- 3.5 The Archdiocese will develop and maintain an Archdiocesan Risk Matrix which is to be implemented by all Agencies and Parishes within the Archdiocese of Brisbane. The risk matrix is a tool for assisting in the assessment and prioritisation of risk within the Archdiocese and will provide more consistency in the measurement and reporting of risk. For the current Archdiocesan Risk Matrix refer Attachment AD11\_A1.
- 3.6 To meet this commitment, risk is to be every employee's business. All employees are required to be responsible and accountable for managing risk in so far as is reasonably practicable within their area of responsibility.
- 3.7 Sound risk management principles and practices should become part of the normal management strategy for all Agencies within the Archdiocese of Brisbane.
- 3.8 The management of risk should be integrated into the Archdiocese's existing planning and operational processes and is to be fully recognised in the reporting processes of the respective Agency.



- 3.9 The effectiveness of risk management is reliant on its integration into the governance of the Archdiocese and its Agencies, including decision-making. This requires support from the Executive Directors and key stakeholders.
- 3.10 The Agency Executive Director is ultimately responsible to the Archdiocese for the Agency's internal control and risk management systems and is required to regularly report to the Audit and Risk Management Committee (A&RMC) on the effectiveness of the systems in managing the Agency's business risks.
- 3.11 Executive Directors are responsible for:
- managing risks to meet Agency objectives, goals and vision;
  - successfully promoting, sponsoring and coordinating the development of a risk management culture;
  - guiding the inclusion of risk management in all strategic and operational decision making;
  - allocating the necessary resources to managing risk;
  - assigning authority, responsibility and accountability at appropriate levels within the organisation;
  - maintaining a framework to manage, monitor and report risk;
  - consistent and accurate assessment of risk through the implementation of an agreed archdiocesan risk matrix;
  - develop an Agency Risk Attitude Statement (RAS) specific to their operational contexts and aligned as appropriate to the Archdiocesan RAS;
  - develop their own risk tolerances specific to their operational needs;
  - developing a clear profile of high/extreme level risks incorporating both opportunity and adverse risks; and
  - reporting annually to the Agency Council, the Audit Risk and Management Committee and the Archdiocesan Finance Council on the high / extreme level risks.
- 3.12 All employees are responsible for:
- acting at all times in a manner which does not place at risk the health and safety of themselves or any other person in the workplace;
  - meeting their obligations under relevant legislation including Workplace Health and Safety, Child Protection, Privacy, Data Protection, Equal Employment Opportunity and Anti-Discrimination; and
  - taking all practical steps to minimise the Agency's exposure to contractual and professional liability.

#### **4. Applicability:**

- 4.1 This *Policy* applies to all Agencies of the Archdiocese and their employees.



## 5. Quality Control:

5.1 The Archdiocesan Financial Administrator after consultation with the Executive Directors will approve and implement any amendments to the archdiocesan risk matrix and is to be applied by each Agency.

5.1.1 The Risk Matrix may have different quantitative “consequence” descriptions across and within Agencies. i.e. there may be different consequence measures (mostly financial/economic) determined at different levels/directorates within an Agency.

5.1.2 The assessment of risks should remain consistent across the Archdiocese and its Agencies through monitoring of the agreed matrix measures.

## 6. Communication and Implementation:

6.1 Each Executive Director is responsible for the consultation, development, implementation and communication of a risk management system in their Agency.

6.1.1 The risk management system should be supported through the provision of risk management awareness training.

6.1.2 Specific training and education programs should be developed for Business Unit Leaders.

6.2 The Financial Administrator’s Office will support the activities of the Archdiocese’s risk management system by providing advice and support on risk management issues.

6.3 Collaboration between the Archdiocese and Agencies should be undertaken to ensure ongoing best practice and maintenance of the “*Risk Management Guidelines*”.

## 7. Compliance, Monitoring and Review

7.1 The monitoring and review process provides assurance and improves the quality and effectiveness of process design, implementation and outcomes.

7.2 The Vicar General is accountable to the Archbishop and has overall responsibility as the ‘accountable officer’ for protecting the Archdiocese from unacceptable costs or losses associated with its operations, and for developing and implementing systems for effectively managing the risks that may affect the achievement of objectives and operational outcomes.



- 7.3 Each Executive Director is responsible in implementing systems for their Agency to effectively identify and manage the risks that may affect the achievement of objectives and operational outcomes. Any extreme risk identified should be reviewed at least every six months.
- 7.4 The Audit and Risk Management Committee of the Archdiocesan Finance Council is responsible for:
- 7.4.1 reviewing this policy in conjunction with Executive Directors every three years or sooner where considered necessary. The outcome of this review will be referred to the Agency Councils and the Archdiocesan Finance Council for endorsement.
- 7.4.2 reviewing the Archdiocese's strategic risk assessment on an annual basis, reporting to the Archdiocesan Finance Council summarising its review and monitoring activities as they relate to oversight of the risk management process. The Committee will also indicate, in its opinion and based on its activities, any significant business risks which remain at an unacceptably high level.

## 8. Reporting:

- 8.1 Each Executive Director is to prepare and provide his or her Agency Council with a strategic and high level Risk Register at least annually.
- 8.2 Once endorsed by each Agency Council, the strategic and high level risk register is to be reviewed by the Audit and Risk Management Committee for acceptance and endorsement by the Archdiocesan Finance Council.
- 8.3 The Financial Administrator will ensure that the Archdiocese's strategic risks are identified and reviewed within the Archdiocese's Risk Register. The risk register is to be reviewed by the Audit and Risk Management Committee at least annually for acceptance by the Archdiocesan Finance Council.

## 9. Definitions:

### 9.1 *Accountable (Refer Responsibility)*

Responsible to someone or for some action.

### 9.2 *Agencies*

The Agencies of the Archdiocese of Brisbane are as follows:

- Archdiocesan Development Fund
- Archdiocesan Services
- Brisbane Catholic Education



- Centacare
- Episcopal and Corporate
- Evangelisation Brisbane

### 9.3 *Archdiocesan Policies*

Refers to all Policies of the Archdiocese sanctioned by the Office of the Financial Administrator and authorised by the Vicar General or the Archbishop. It does not refer to Policies that originate in one or more Agencies that do not apply across all Agencies.

### 9.4 *Business Units*

A Business Unit is an organisational subset that is independent with regard to one or more accounting or operational functions. For the purpose of this policy and the risk management guidelines a Business Unit may be a directorate within an Agency, an operational department within an Agency, a school, an office location or a worksite as defined by the Executive Director.

### 9.5 *Business Unit Leaders*

A Business Unit Leader for the purpose of this policy and the risk management guidelines is a director, principal, manager or a person delegated by the Executive Director of a Business Unit.

### 9.6 *Canon Law*

The Code of Canon Law is the codified body of general laws governing the Catholic Church.

### 9.7 *Compliance*

Compliance is meeting all the Archdiocese's and Agencies' compliance obligations.

### 9.10 *Employee*

The term employee applies to all paid workers (including casual and contracted workers and clergy) and volunteers of the Archdiocese and Agencies.

### 9.11 *Executive Directors (EDs)*

The Executive Directors of the Archdiocese of Brisbane are the leaders of the Agencies, which in turn make up the curia or working organisation of the Archdiocese. The EDs provide leadership and management of the Archdiocesan Agencies as well as advice and support in their various areas of expertise to the Vicar General and the Archbishop. They each report directly to the Vicar General. The following position titles apply to the EDs of the Agencies:



- Archdiocesan Development Fund – General Manager
- Archdiocesan Services – Executive Director
- Brisbane Catholic Education – Executive Director
- Centacare – Executive Director
- Episcopal and Corporate – Financial Administrator
- Evangelisation Brisbane – Director

#### 9.12 *Financial Administrator*

The Financial Administrator is appointed by the Archbishop and has responsibility for Archdiocesan financial, governance, risk and compliance matters. The Financial Administrator works closely with the Vicar General and the Agency ED's in relation to these matters. The Financial Administrator is also responsible for the financial administration of the Episcopal and Corporate offices.

#### 9.13 *Obligation*

An Obligation is a requirement specified by laws, regulations, codes or organisational standards.

#### 9.14 *Organisational Standards*

Organisational Standards are documented codes of ethics, codes of conduct, good practices and charters that the Archdiocese, Agencies and Parishes have adopted across its operations.

#### 9.15 *Responsibility*

This policy does not distinguish between the concept of *responsibility* and that of accountability. Accountability is implicit in the use of the term "*responsibility*".

#### 9.16 *Risk*

The chance of something happening that will have an impact upon the Archdiocese's or Agencies' objectives. Risk is measured in terms of consequences and likelihood.

#### 9.17 *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 Archdiocese and its Agencies.



### 9.18 Risk Management Guidelines

The Risk Management Guidelines is a document designed to assist staff to understand risk management and provides recommended structure and tools to implement risk management in accordance with the Risk Management Policy. With the collaboration of Agencies this document will be reviewed and updated regularly as required and will be available to staff on the intranet.

### 9.19 Vicar General

The *Vicar General* is appointed by the Archbishop to assist him in the governance of the whole Archdiocese. The *Vicar General* is to oversee the work of the various *Agencies* within the Archdiocese.

### 10. Date of Next Review:

October 2021.

### 11. Related Policies and/or Procedures:

- Archdiocesan Risk Matrix – AD11\_A1
- Archdiocesan Risk Attitude Statement – AD11\_A2
- Archdiocesan Compliance Policy - AD07
- Archdiocesan Codes of Conduct – HR/006/1.0
- Brisbane Catholic Education – Code of Conduct
- Archdiocesan Whistleblowers Policy - AD09

### 12. Version History:

Version Date	Enacted Date	Comments
May 2016	May 2016	Original Policy
October 2018	October 2018	Updated Policy

**APPROVED** by:

Signed:  Date: 17 October 2018

**Very Rev Monsignor Peter Meneely VG**  
**Vicar General**



# ARCHDIOCESE OF BRISBANE

---

## ARCHDIOCESE OF BRISBANE – Risk Attitude Statement (RAS)

### 1. Foreword

It must be acknowledged that ‘risk’ in the context of a religious organisation must be approached in the light of faith. As such, deliberations regarding risk require not only the natural elements of good stewardship and common sense, but also the spiritual element of discernment: what is God asking of us in spite of one or more perceived risks? In scripture, there are many examples of risk taking based on confident discernment. Gideon took on the Midianite army with 300 men (Judges 7), Jonathan and his armour bearer took on 20 Philistines (1 Samuel 14), and Peter walked on water (Matt 14:22 – 33), to name just a few. These examples were all actions that would not have happened if risk were the primary consideration. In each case, aversion to risk was balanced by confident discernment. Pope Francis reminds us that *‘every community must discern the path that the Lord points out, but all of us are asked to obey his call to go forth from our own comfort zone in order to reach all the “peripheries” in need of the light of the Gospel.’* (EG 20)

In the application of this policy, the Archdiocese takes risk very seriously and will do everything in its power to mitigate risk, but this risk aversion will always be balanced by the faithful desire to discern the voice of God and make decisions in light of this discernment.

### 2. Introduction

This statement describes the risk attitude for the Archdiocese as outlined in Section 3.4 of the Archdiocesan Risk Management Policy AD11.

### 3. Background

The Archdiocese of Brisbane is a large and diverse organisation with more than 12,000 employees, 139 schools, 98 parishes and numerous centres providing religious, educational and community services.

The Archdiocese is committed to managing risk as a responsible steward of the gifts and resources under its care, in order to better serve the Church and community in pursuance of its Mission.



Operationally the Archdiocese is organised into distinct Agencies in addition to the 139 schools and 98 parishes as follows:

- Archdiocesan Development Fund
- Archdiocesan Services
- Brisbane Catholic Education
- Centacare
- Episcopal and Corporate
- Evangelisation Brisbane

#### **4. Approach**

The RAS contains high-level succinct statements across a range of risk categories applicable to the Archdiocese.

Agencies should also develop their own risk attitude statements specific to their operational contexts but aligned as appropriate to the Archdiocesan RAS. Agencies, schools and parishes should develop their own risk tolerances specific to their operational needs.

#### **5. Categories for Consideration**

##### **5.1 Strategic Risk**

The Archdiocese exists to further the Mission of the Church in South - East Queensland where the constant challenge is to make missionary disciples of Jesus who reach out to the poor and marginalised and welcome all those seeking to access Church services. The Archdiocese therefore has a medium to high attitude for strategic risks in developing strategies to support this Mission except where it jeopardises existing essential services.

##### **5.2 Governance**

The Archdiocese is committed to best practice governance and practices and behaviours which reflect good governance principles. It has a low risk attitude for governance practices which undermine Church stewardship principles, compromise the Mission of the Church or erode ethical decision making and management.



### **5.3 Financial Risks**

The Archdiocese is a steward for assets it owns and income it receives both of which have come mainly from either donations or Government grants.

Therefore the Archdiocese has a low attitude for financial risk.

### **5.4 Property Risk**

The Archdiocese has acquired a relatively large property portfolio that covers a range of property types acquired in order to deliver on its Mission. Most Archdiocesan and parish properties are held and maintained for this purpose and therefore the Archdiocese has a low attitude for risk in relation to these properties.

The Archdiocese has a medium attitude for strategic property risks to generate income and/or capital growth for the future. The Archdiocese also has a medium attitude for operational risks which can impact current budgets and maintenance programs.

### **5.5 Legal & Compliance Risk**

The Church and the Archdiocese have high ethical and moral standards, and seeks to apply these in complying with the relevant statutory requirements.

This is achieved by promoting a compliance culture and upholding good corporate governance practices. Through strong governance, risk management and compliance management the Archdiocese establishes a culture for ethical conduct and living Catholic values. The Archdiocese has a low risk attitude for non-compliance with external regulation which is monitored and reviewed using a risk-based approach to compliance.

### **5.6 Operational Risk**

The Archdiocese takes a long term view in delivering on its Mission. It undertakes careful analysis of risks in its operational activities, including ensuring that the benefit of the risk control measures exceeds the costs of these measures. The Archdiocese has a low to medium risk attitude for business interruptions, instability and impacts to the continuity of its operations.



Whilst the ability to support operations on a day-to-day basis is important, the Archdiocese has a medium to high risk attitude for change to ensure that it has the right resources, staff capabilities and organisation structure to optimise the delivery of its Mission and services.

### **5.7 Information Management and Security**

The Archdiocese is committed to ensuring that its information is authentic, appropriately classified, properly secured and managed in accordance with legislative and operating requirements.

The Archdiocese aims for strong internal control processes and the development of robust people, system and process solutions for the management and protection of information assets.

The Archdiocese has a low risk attitude for the compromise of processes governing access to information, the use of information, its management and security.

### **5.8 Reputation Risk**

The Archdiocese has a low risk attitude for any events, incidents or opinions which may cause damage to its reputation and are outside its Catholic beliefs and teachings.

### **5.9 Safeguarding Risk**

The Archdiocese has zero tolerance for the exploitation or harm of children or vulnerable adults by staff, volunteers or any other relevant related individuals and therefore takes all reasonable measures to ensure these risks are reduced to as “low as reasonably practicable”.

### **5.10 People & Culture Risk**

The Archdiocese’s employees and volunteers are critical to the Archdiocese in the delivery of its Mission. It is essential that the Archdiocese have suitably skilled people with the right competencies and behaviours in order to deliver on its Mission. The Archdiocese has a low risk attitude for non-conformance to general compliance obligations.



### **5.11 Health & Safety**

The Archdiocese is committed to the health, safety and wellbeing of its employees, volunteers and all those on our premises and as such will take all reasonable measures to ensure the identification and implementation of appropriate mitigation actions to reduce all risk levels to as “low as reasonably practicable”.

### **5.12 Environmental Risk**

The Archdiocese supports Pope Francis’ teachings on ecology and climate in his encyclical letter “Laudato Si”. In doing so it has an interest in protecting and preserving the environment. This leads to the Archdiocese having a medium risk attitude in its pursuit of sustainability and preservation of the environment.

LIKELIHOOD DESCRIPTORS			
Rating	Description	Occurrence	Probability
Almost Certain	Expected to occur in most circumstances.	Multiple / 12 months	> 90%
Likely	Will probably occur.	Once / 12 months	66 - 90%
Possible	May occur.	Once/12 months - 5 years	35 - 65%
Unlikely	Not likely to occur.	Once / 5 - 10 years	10 - 34%
Rare	May only occur in exceptional circumstances.	Once / > 10 years	< 10%

CONSEQUENCE LEVEL RATING AND DESCRIPTORS					
Area of Impact	Insignificant	Minor	Moderate	Major	Significant
<b>People &amp; Safety (including Safeguarding)</b>	<ul style="list-style-type: none"> <li>* No injury.</li> <li>* Very little impact to the emotional or physical wellbeing or safety of a person, with the person feeling only a bit worried or temporarily upset</li> <li>* No impact on morale or performance.</li> </ul>	<ul style="list-style-type: none"> <li>* First aid treatment.</li> <li>* Minor impact on the emotional or physical wellbeing or safety of a person, with the person feeling minor anxiety, requiring follow up and/or support.</li> <li>* Morale and performance impacted for small number of staff.</li> </ul>	<ul style="list-style-type: none"> <li>* Medical treatment required</li> <li>* Moderate impact on the emotional or physical wellbeing or safety of a person, with the person feeling moderate anxiety requiring follow-up support</li> <li>* Noticeable impact on staff morale and performance.</li> </ul>	<ul style="list-style-type: none"> <li>* Serious injury requiring hospitalisation / serious illness requiring long term absence.</li> <li>* Serious impact on the emotional or physical wellbeing or safety of a person, with the person feeling overwhelmed or traumatised, and requiring physical or psychological treatment.</li> <li>* Measurable drop in staff morale and performance.</li> </ul>	<ul style="list-style-type: none"> <li>* Death or multiple serious injuries requiring hospitalisation.</li> <li>* Significant, severe and ongoing impact on the emotional or physical wellbeing or safety of a person and requiring physical or psychological treatment.</li> <li>* Significant drop in staff, morale and performance resulting in loss of high quality staff.</li> </ul>
<b>Information Services</b>	<ul style="list-style-type: none"> <li>* Compromise of information otherwise available in the public domain.</li> <li>* Recoverable loss of non-critical file.</li> </ul>	<ul style="list-style-type: none"> <li>* Minor compromise of non-sensitive.</li> <li>* Loss or compromise of non-critical files or data.</li> </ul>	<ul style="list-style-type: none"> <li>* Compromise of non-sensitive information.</li> <li>* Recoverable loss of critical files or records.</li> </ul>	<ul style="list-style-type: none"> <li>* Compromise of sensitive information (including personal information).</li> <li>* Severe restrictions to access critical files/records.</li> <li>* Large loss or theft of data.</li> <li>* DoS - Denial of Service.</li> </ul>	<ul style="list-style-type: none"> <li>* Compromise of information (including personal information) with significant ongoing impact.</li> <li>* Non recoverable loss of critical files or data records (including personal information).</li> </ul>
<b>Reputation/Community</b>	<ul style="list-style-type: none"> <li>* Minor local adverse public attention or local complaints.</li> </ul>	<ul style="list-style-type: none"> <li>* Adverse local media attention and/or heightened concern by local community.</li> </ul>	<ul style="list-style-type: none"> <li>* Heightened and/or significant local and social media attention.</li> <li>* Short term credibility affected.</li> </ul>	<ul style="list-style-type: none"> <li>* Serious public or media outcry - local/state/social media coverage.</li> <li>* Long term credibility impacted.</li> </ul>	<ul style="list-style-type: none"> <li>* Sustained serious public or media attention - state / national / social media coverage.</li> <li>* Severe damage to long term credibility.</li> </ul>
<b>Service Delivery</b>	<ul style="list-style-type: none"> <li>* Minimal local disruption or minimal impact on non-critical services/functions.</li> <li>* The impact can be dealt with by routine operations.</li> </ul>	<ul style="list-style-type: none"> <li>* Some service disruption in one area.</li> <li>* Reduced organizational capacity/capability resulting in delays or quality but able to be dealt with at operational level.</li> </ul>	<ul style="list-style-type: none"> <li>* Total cessation of one non-critical service for a few months or multiple non-critical services for several weeks.</li> <li>* Reduced organizational capacity/capability resulting in reduced performance such that service delivery targets are not met (&lt; 1 month).</li> </ul>	<ul style="list-style-type: none"> <li>* Disruption of critical services/functions for up to a month.</li> <li>* Reduced organizational capacity/capability resulting in service delays, revenue loss, client dissatisfaction, legislative breaches.</li> </ul>	<ul style="list-style-type: none"> <li>* Cessation of critical service &gt; 1 month</li> <li>* Reduced workforce capability reduces long term service delivery.</li> <li>* Critical failure(s) preventing core activities from being performed.</li> <li>* Survival of the project/ activity/ organization is threatened.</li> </ul>
<b>Legal &amp; Compliance</b>	<ul style="list-style-type: none"> <li>* Minor compliance issue.</li> <li>* Minor breach of internal policy or procedure.</li> </ul>	<ul style="list-style-type: none"> <li>* Minor legal issues.</li> <li>* Partial or non-compliance with legislation or regulations with minimal consequences.</li> </ul>	<ul style="list-style-type: none"> <li>* Breach of legislation or regulation with investigation or report to regulatory authority with prosecution and or moderate fine possible.</li> <li>* Loss of accreditation resulting in a moderate financial loss.</li> </ul>	<ul style="list-style-type: none"> <li>* Major breach of legislation or regulation with possible prosecution and/or litigation.</li> <li>* Loss of accreditation resulting in a major financial loss.</li> <li>* Investigation by Regulator.</li> </ul>	<ul style="list-style-type: none"> <li>* Significant prosecution and fines and very serious litigation potential.</li> <li>* Loss of accreditation resulting in a significant financial loss.</li> <li>* Investigation &amp; prosecution by Regulator.</li> </ul>
<b>Financial Resources</b>	<ul style="list-style-type: none"> <li>* Loss, error or omission up to 1% of gross budgeted income or \$250,000 (whichever is lower).</li> </ul>	<ul style="list-style-type: none"> <li>* Loss, error or omission between 1% - 5% of gross budgeted income or \$500,000 (whichever is lower).</li> </ul>	<ul style="list-style-type: none"> <li>* Loss, error or omission between 5% - 10% of gross budgeted income or \$1,000,000 (whichever is lower).</li> </ul>	<ul style="list-style-type: none"> <li>* Loss, error or omission between 10% - 15% of gross budgeted income or \$2,500,000 (whichever is lower).</li> </ul>	<ul style="list-style-type: none"> <li>* Loss, error or omission &gt; 15% of gross budgeted income or \$5,000,000 (whichever is lower).</li> </ul>
<b>Sustainability (General Environmental &amp; Social Impacts)</b>	<ul style="list-style-type: none"> <li>* No lasting negative effect on the environment i.e. harm, noise, fumes, odour of short term duration.</li> <li>* &gt; 80% established sustainable Agency targets met.</li> </ul>	<ul style="list-style-type: none"> <li>* Short term negative impact on the environment or social impact. i.e. minor discharge within a local community area.</li> <li>* &lt; 80% and &gt; 50% established sustainable Agency targets met</li> </ul>	<ul style="list-style-type: none"> <li>* Serious discharge of pollutants or community annoyance within general vicinity that requires remedial action.</li> <li>* &lt; 50% and &gt; 30% established sustainable Agency targets met.</li> </ul>	<ul style="list-style-type: none"> <li>* Long term negative effect or social impact.</li> <li>* &lt; 30% and &gt; 10% established sustainable Agency targets met.</li> </ul>	<ul style="list-style-type: none"> <li>* Extensive long term negative impact on the environment or community.</li> <li>* &lt; 10% sustainable Agency established targets met.</li> </ul>
<b>Project</b>	<ul style="list-style-type: none"> <li>* Loss &lt; 5% of original approved budget or time.</li> <li>* Minor shortfall in ancillary requirements</li> </ul>	<ul style="list-style-type: none"> <li>* Loss between 5% and 10% of original approved budget or time.</li> <li>* Shortfall in ancillary requirements.</li> </ul>	<ul style="list-style-type: none"> <li>* Loss between 10% and 20% of original approved budget or time</li> <li>* Shortfall in multiple requirements</li> </ul>	<ul style="list-style-type: none"> <li>* Variance between 20% and 50% of original approved budget and/or time or a budget variance between \$1,000,000 - \$2,000,000 (whichever is the lower)</li> <li>* Shortfall in any of the critical requirements</li> </ul>	<ul style="list-style-type: none"> <li>* Variance &gt; 50% of original approved budget and/or time or a budget variance &gt; \$2,000,000 (whichever is the lower)</li> <li>* Major shortfall/failure in any of the critical requirements</li> </ul>

LIKELIHOOD	CONSEQUENCE				
	Insignificant	Minor	Moderate	Major	Significant
Almost Certain	5	10	15	20	25
Likely	4	8	12	16	20
Possible	3	6	9	12	15
Unlikely	2	4	6	8	10
Rare	1	2	3	4	5

Risk Level	Description
Extreme	Risk level not acceptable. Immediate action required: If the activity continues, all possible mitigation strategies be analysed to reduce exposure to the risk. Active review and monitoring. Oversight by Executive Director.
High	Proactive management required: Risk mitigation strategies to be developed including contingency plans where relevant. Active review and monitoring. Oversight by Executive Director or delegated officer.
Medium	Potential action required: risk may be acceptable if reduced to as low as reasonably practical through application of acceptable controls. Review and monitoring by risk owner.
Low	Accept and monitor: Managed by routine procedures and controls. Periodically monitored by risk owners.