



South Eastern Aboriginal Regional Management Services (SEARMS) Aboriginal Corporation

Policy Document

Location	Board
Policy	Risk Management Policy
Version	Version 0.2
Issue Date	23 September 2016
PARS Performance Outcome	4.4 Planning

1. Purpose

This policy establishes the management of risks faced by SEARMS. The aim of risk management is to maximise opportunities in all activities and to minimise adversity.

SEARMS has developed its Risk Management Policy to:

- Support effective decision-making that is guided by SEARMS Mission and Vision
- Ensure a consistent and effective approach to risk management
- Formalise its commitment to the principles of risk management and incorporating these into all areas of SEARMS.
- Foster and encourage a risk-aware culture where risk management is seen as a positive attribute of decision-making rather than a corrective measure
- Align SEARMS planning, quality and risk management systems and their integration into all areas of SEARMS operations
- Ensure that robust corporate governance practices are implemented to manage risk while allowing innovation and development.

This policy applies to all activities and processes associated with the normal operation of SEARMS.

It is the responsibility of all Board Members, Executive Management, staff and tenants to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity function or process within their relevant scope or responsibility and authority.

This policy is to be read in conjunction with SEARMS' Risk Management Plan.

2. Scope

- Risk management is incorporated into all areas of SEARMS operations, including management and corporate governance.
- Risk management is the responsibility of all employees and all areas within SEARMS.
- Critical incident management and work, health and safety risks are covered by specific SEARMS policies and procedures where appropriate.

3. Overview

SEARMS is committed to excellence and continual improvement, and will continue to encourage innovation whilst maintaining a low-risk profile. Employees are encouraged to adopt a positive approach to risk management, which further strengthens the risk-aware culture (as opposed to a risk-averse culture) of SEARMS.

Risk management is incorporated into the strategic and operational planning and quality processes at all levels within SEARMS in order to minimise the impact of risk

Opportunities and risks are identified and are proactively assessed and monitored by staff on an ongoing basis.

4. Definitions

Acceptable Risk: Risk that has been reduced to a level that can be tolerated by the organisation having regard to its legal obligations and its own WH&S policy.

Risk: Combination of the likelihood of an occurrence of a hazardous event or exposure(s) and the severity of injury or ill health that can be caused by the event or exposure (ISO 18001: 2007).

Risk is characterised and rated by considering two characteristics:

- 1.) Probability or likelihood of occurrence; and
- 2.) Consequence of occurrence

Likelihood: Is a qualitative description of probability or frequency

Consequence: Is the outcome of an event, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.

Hazard: Source, situation, or act with a potential for harm in terms of human injury or ill-health, or a combination of these.

Risk control: Taking action to first eliminate health and safety risks so far as is reasonable practicable, and if that is not possible, minimising the risk so far as is reasonable practicable. Eliminating a hazard will also eliminate any risk associated with that hazard.]

Risk assessment: Process of evaluating the risk(s) arising from a hazard(s) taking into account the adequacy of any existing controls, and deciding whether or not the risk(s) is acceptable

Risk management: Is the application of a management system to risk and includes identification, analysis, treatment and monitoring.

Risk owner: Is person(s) responsible for managing risks and is usually the person directly responsible for the strategy, activity or function that relates to the risk.

5. Principles

Risk management is a key governance and management function.

SEARMS is proactive in its approach to risk management, balances the cost of managing risk with anticipated benefits, and undertakes contingency planning in the event that critical risks are realised.

SEARMS has the primary duty to ensure the health and safety of workers, tenants and the Aboriginal community in general. A duty to ensure health and safety requires SEARMS to manage risks:

- By eliminating health and safety risks so far as is reasonable practicable.
- If it is not reasonably practicable to eliminate the risks, by minimising those so far as is reasonable practicable.

Deciding when is 'reasonable practicable' to protect people from harm requires weighing up certain matters, including the likelihood of a hazard or risk occurring and the degree of harm that would result and then making a judgement about what is reasonable in the circumstances.

Effective risk management involves:

- A commitment to health and safety from SEARMS Board
- The involvement and cooperation of SEARMS employees

6. Outcomes

As far as is reasonably practicable, workers, consumers and other persons are not put at risk from work carried out by SEARMS.

SEARMS is protected from adverse incidents, reduces its exposure to loss, and mitigates and controls loss should it occur.

SEARMS has ongoing, unimpeded capacity to fulfil its mission, perform its key functions, meet its objectives and support its tenants.

The financial and operational cost of risks are reduced, thus improving SEARMS effectiveness and efficiency.

7. Functions and Delegations

A person can have more than one duty and more than one person can have the same duty at the same time.

Position	Delegation/Task
SEARMS Board	<p>Exercise due diligence to ensure that SEARMS meets their relevant legislative requirements. This includes reasonable steps to:</p> <ul style="list-style-type: none"> • Gain an understanding of the hazards and risks associated with • The operations of SEARMS and • Ensure that SEARMS has and uses appropriate resources and processes to eliminate or minimise risks to health and safety
Management	<p><u>General Manager</u> Ensure, so far as is reasonable practicable, that workers and other persons are not put at risk from work carried out by SEARMS</p> <p>Ensure, so far as is reasonable practicable, that:</p> <ul style="list-style-type: none"> • The workplace, including entry and exit and anything arising from the workplace are without risks to health and safety. • The fixtures, fitting or plant are without risks to health and safety • The plant, substance or structure is without risks to health and safety <p>Establish and implement risk management systems for all functions and activities of SEARMS.</p>
Employees	<p>Compliance with Risk Management Policy.</p> <p>Contribute to the establishment and implementation of Risk Management Systems for all functions and activities of SEARMS.</p>

8. Risk Management

All Board members, managers and staff contribute to the establishment and implementation of risk management systems for all functions and activities of SEARMS.

9. Policy Implementation

Risk management forms part of strategic, operational and line management responsibilities, and is integrated into strategic and service planning processes.

Risk management is embedded in all policies and procedures, with workers contributing to risk management systems.

10. Policy Detail

SEARMS aims to achieve better practice in the management of risks that threaten to adversely impact on SEARMS, its functions, objectives, operations, assets, staff, consumers or members of the public.

SEARMS does whatever it can (whatever is 'reasonable practicable') to ensure its employees, tenants and other relevant parties are not harmed by its activities.

11. SEARMS commitment

SEAR shall ensure at all times, that this policy:

- Is appropriate to the nature and the scale of SEARMS' risks
- Includes a commitment to the prevention or injury and ill health and continual improvement of the Risk Management system and its performance.
- Always complies with relevant legislation and applicable legal requirements and updated where appropriate.
- Provides the framework for setting and reviewing Risk management objectives.
- Is reviewed periodically to ensure that it remains relevant and appropriate to the organisation.

Risk management involves four steps:

1. Identify Hazard – Find out what could cause harm.
2. Assess Risks – Understand the likelihood of a hazard causing harm and how serious it could be.
3. Control Risks – Implement the most effective control measure that is reasonably practicable in the circumstances, and
4. Review control measures to ensure they are working as planned.



Many hazards and their associated risks are well known and have well established and accepted control measures. In these situations, the second step to formally assess the risk is unnecessary.

If, after identifying a hazard, SEARMS already knows the risk and how to control it effectively, SEARMS will implement its relevant controls.

12. Consultation with employees

Consultation with employees and their health and safety representatives is required at each step of the risk management process. By drawing on the experience, knowledge and ideas of its employees, SEARMS is more likely to identify all hazards and choose effective risk controls.

SEARMS employees must follow safety instructions and procedures, and they will do this more effectively if they are involved in the development of these procedures, understand the reasons for them and how they work.

SEARMS encourages its employees to report any hazards and health and safety problems immediately so that risks can be managed before an incident occurs.

If SEARMS has a health and safety committee, SEARMS will engage the committee in the risk management process as well.

13. Related Documents/Policies

- SEARMS Risk Management Plan
- SEARMS Risk Register

14. Policy Review

This Policy will be reviewed *23 September 2017*

15. Policy Adoption

This policy was adopted *23 September 2016*

Issuing Authority GM Chair



Jesse White
General Manager



Tom Slooke
Co-Chairperson

SEARMS Common Seal



