



# Risk Management and Appetite Statement

<b>Status:</b>	Current	<b>Supersedes:</b> All previous Rockhampton Girls Grammar School Risk Management and Appetite Statement Policies
<b>Authorised by:</b>	RGGS Board of Trustees	<b>Date of Authorisation:</b> May 2022
<b>References:</b>	This procedure should be read in conjunction with the following Rockhampton Girls Grammar School policies: <ul style="list-style-type: none"><li>• RGGS-018-POL-RISK MANAGEMENT POLICY</li><li>• RGGS-017-POL-RISK COMMITTEE CHARTER</li></ul>	
<b>Review Date:</b>	This policy will be reviewed bi-annually	<b>Next Review Date:</b> May 2024
<b>Policy Owner:</b>	Board of Trustees of Rockhampton Girls Grammar School <i>trading as</i> Rockhampton Girls Grammar School  CRICOS Provider No: 00508E	<b>Access:</b> Z:\All Staff – Policies Procedures and Forms and Board Sharepoint



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## 1. PURPOSE OF RISK MANAGEMENT

The purpose of risk management is the creation and protection of value within the School having regard to our overall strategy and objectives.

## 2. PURPOSE OF THIS STATEMENT

The purpose of this statement is to emphasise our commitment to risk management and to establish the Board's expectations with respect to how strategic, financial and operational decision-making occurs throughout Rockhampton Girls Grammar School.

## 3. STRATEGIC GOALS AND OBJECTIVES

Rockhampton Girls Grammar School recognises that our strategic goals and objectives and our business plans are key drivers in determining our overall appetite for risk. To this end, each year we undertake a formal strategic planning process in which we consider our overall appetite for risk having regard to our Risk Management Capability.

## 4. OUR RISK MANAGEMENT CAPABILITY

Rockhampton Girls Grammar School understands that our ability to effectively manage our appetite for risk on a day-to-day basis is reliant upon the quality of our organisational infrastructure and the strength of our culture. To this end, Rockhampton Girls Grammar School has:

- implemented a Risk Management Policy in accordance with the International Risk Management Standard ISO 31000: 2018.
- established a risk sub-committee of the Board who focuses solely on the School's Risk Management Framework.
- developed a detailed risk categorisation process which allows us to effectively identify and assess risks on an enterprise basis.
- adopted a risk profiling system through which we analyse the likelihood of a particular risk event occurring, and the potential consequences if the event is to occur, having regard to the overall control effectiveness of existing mitigation strategies.
- implemented a Compliance Program in accordance with the International Compliance Standard AS/ISO 19600, through which we monitor key risk controls.
- implemented a Complaints Handling Program, through which we capture critical key risk indicators.
- implemented an online policy management system (All Staff Drive) and established processes to ensure staff are communicated policy changes and reviews as they occur.
- developed forms and registers designed to capture key risks, tasks and incidents, and assign them to responsible individuals as well as monitor their progress.

We believe that, by developing our organisational governance infrastructure, we have taken considerable steps towards achieving a level of risk maturity through which we have developed, and will continue to develop, a positive risk management culture.

## 5. RESPONSIBILITY FOR RISK MANAGEMENT

Rockhampton Girls Grammar School's Board of Trustees is responsible for approving and overseeing the School's Risk Management Program, and making necessary resources available, while the School Principal and School Executive Team are accountable for managing risk on a day-to-day basis and promoting a risk management culture within the School.

## 6. OUR APPETITE FOR RISK

We recognise that change is a constant and there are risks in everything we do. We understand that risk-taking must occur if we are to innovate, improve and remain competitive in the current environment. It is for this reason that we have committed considerable resources to ensure that we have adequate capabilities to effectively manage risk.



Rockhampton Girls Grammar School's appetite for risk is influenced by a range of factors, including our strategic goals and objectives, the amount of risk that we are able to accept given our organisational constraints, our system of ethics, values and risk-based behaviours as well as the level of maturity of our internal risk and internal control programs.

As such, it is not possible to precisely measure our risk appetite. Rather our approach is to set the tone from the top and ensure that our organisational infrastructure (including our risk management, internal control, policy management and internal training programs) is designed to identify and effectively manage key risks as they arise.

Rockhampton Girls Grammar School distinguishes between different types of risk and takes an integrated approach to managing them. Key risk areas include:

- Compliance Risk
- Disaster Risk
- Environmental Risk
- IT and Cyber Risk
- Financial Risk
- Operational Risk
- Reputational Risk
- Strategic Risk

Within each category of risk, Rockhampton Girls Grammar School identifies specific risk events and assesses them on a case by case basis, utilising our risk profiling system. In accordance with this system, all risks are allocated a residual risk rating of either Unlikely, Low, Medium, High or Very High, as determined by the overall effectiveness of our existing controls, the subsequent likelihood of the risk event occurring and the potential consequences if the risk event is to occur.

Each risk is then evaluated having regard to its rating, our organisational constraints, the costs and benefits of upgrading controls and/or implementing treatments, and our strategic goals and objectives. The outcome of this evaluation determines how and when resources are allocated to treat risks with a view to lowering their overall risk rating to fit within Rockhampton Girls Grammar School's appetite for risk. In this way, we can ensure that our management of risk is dynamic and responsive to change.

## 7. RISK REPORTING

We believe that high-quality reporting outcomes are essential to effective risk management at Rockhampton Girls Grammar School because it assists key decision-makers to make informed choices, prioritise actions and distinguish among alternatives.

The development of electronic forms and registers provides Rockhampton Girls Grammar School with reporting outcomes with respect to risks, compliance tasks and incidents, which are tailored for both management and the Board. Risk reports are available to management in real time through an online dashboard and risk management is a standing agenda in Board meetings.

## 8. REVIEW AND IMPROVEMENT

Risk management, by its very nature, is a dynamic process in which change is a constant factor given Rockhampton Girls Grammar School's internal and external environments. To ensure that our Risk Management Program is fit for purpose, its overall effectiveness is reviewed at least annually.