



# RISK MANAGEMENT POLICY

Department of Human Services (DHS)

## Summary

This Policy outlines DHS's responsibilities under the South Australian Risk Management Policy Statement 2009

Table 1: Document Details

Policy Number	<b>FIN 121</b>
Applies to	<b>All DHS Staff</b>
Issued by	<b>Finance and Business Services</b>
Delegated Authority	<b>Chief Executive</b>
Policy Custodian	<b>Jonathan Boyd, Director, Quality Assurance, Risk and Business Improvement (QARBI).</b>
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Confidentiality	<b>For Official Use Only (FOUO)</b>

Table 2 – Revision Record

Date	Version	Revision description
24 February 2016	2.3	Latest review

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## 1. Policy Title

Risk Management Policy

## 2. Purpose

The purpose of this policy is to describe the Department of Human Services (DHS) responsibilities under the South Australian *Risk Management Policy Statement 2009*. This policy supports DHS in complying with Treasurer's Instruction (TI) 2 *Financial Management*.

## 3. Context

The South Australian Government 'Risk Management Policy Statement 2009' (Policy Statement 2009) is based on the international standard ISO 31000:2018: Risk Management – Principles and Guidelines. The Policy Statement 2009 is explicit in asserting that:

*The consistent and systematic application of risk management is central to maximising community outcomes, effectively leveraging the benefit of opportunities, managing uncertainty and minimising the impact of adverse event.*

This policy and the supporting framework are based on the principle that sound risk management enhances the agency's opportunities to achieve its goals.

Integrating risk management throughout DHS will also realise other benefits including:

- Increasing the range of opportunities;
- Identifying and managing risk agency wide;
- Increasing positive outcomes, whilst reducing negative surprises;
- Reducing performance variability;
- Improving resource deployment; and
- Enhancing organisational resilience.

These benefits highlight that risk should not be viewed solely as a potential restraint or challenge to setting or carrying out strategy, but rather, the change prompted by risk identification and the organisation's responses to risk, give rise to strategic opportunities and key differentiating capabilities.

## 4. Scope

This policy applies to:

All DHS staff

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## 5. Policy Detail

### 5.1 Principles

Consistent with the international standard ISO 31000:2018 and Policy Statement 2009, DHS is committed to maintaining and continuously improving an enterprise wide risk management system. The system is in place so DHS can manage risks to protect itself, its employees and others from situations and events that would prevent the achievement of its strategic objectives.

DHS will reduce its exposure to risk and optimise its opportunities by continuing to adopt a systematic and transparent approach to identification, analysis, evaluation and management of risks.

DHS will create risk information and knowledge that is concise, accurate, timely and complete, with clearly defined assumptions and limitations. The risk knowledge will support informed discussion on risks and opportunities across all of its' functions, so that risks are clearly articulated, mitigated, monitored and reviewed.

DHS will promote within business units consideration of risk in modifying behaviours or actions in the context of local needs and in consideration of the opportunities that might arise from different behaviours or actions being taken.

Risk management will be a consideration in all initiatives and all project proposals in DHS.

### 5.2 Roles and Responsibilities

As detailed in the Policy Statement 2009, Chief Executives of all government departments are:

*Accountable to the Minister for the development and implementation of risk management framework (based on the ISO 31000:2018 Risk Management Guidelines) specific to the organisation's business and organisational context.*

Executives and senior managers are responsible for ensuring a systematic and integrated approach to risk management throughout their Division/Business Unit, which complements the DHS Policy and Framework.

#### *Risk Management and Audit Committee*

DHS Risk Management and Audit Committee (RMAC) monitors risk management and provides oversight of the functions of the Risk Management team. The Committee assists the Chief Executive in developing and implementing strategies for effective risk management and ensuring accountabilities are met.

#### *Risk Assessment Facilitators*

Risk Assessment Facilitators (RAFs) are staff nominated by their Executive and/or senior manager to assist with facilitating the Divisional/Business Unit risk

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assessment workshops, quarterly reviewing of risks and promoting the integration of risk management throughout all business practices relevant to their Directorate.

All staff are expected to have an awareness of the risks and opportunities within their work group and to actively support and contribute to the risk management system.

*Risk Management Team*

The Director, Quality Assurance, Risk and Business Improvement (QARBI) is responsible for ensuring that the Risk Management team work collaboratively with Executives, senior managers and other senior staff to assist with the implementation of the Risk Management Policy and Framework, and in providing advice, training and support to the RAFs.

## 6. Risk

This policy mitigates the risk that DHS will not meet the obligations mandated for government agencies in the Policy Statement 2009.

Failure to apply this policy may place in jeopardy the sound management of DHS' extensive resources and the safe and secure management of its employees.

## 7. Definitions

Risk	The effect of a possible incident or event, that if it occurs, would impact on DHS' capacity to fulfil its' objectives.
Risk Management	Coordinated activities to direct and control an organisation with regards to risk.
Risk Management Framework	A set of information components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management processes throughout the organisation.

## 8. Reference Documents

### 8.1 Directive documents

- [South Australian Government Risk Management Policy Statement 2009](#)
- [Treasurer's Instructions \(TI\) 2 Financial Management](#)
- [Treasurer's Instructions \(TI\) 28 Financial Management Compliance Program](#)
- [Chief Executive's Safety Commitment 2012](#)
- [South Australian Code of Practice for Crown Self-insured employers](#)
- [WHS Act 2012 and WHS Regulations 2012](#)

### 8.2 Supporting documents

- [DHS Risk Management Framework](#)

### 8.3 Related documents and resources

- [AS/NZS ISO 31000:2018 Risk Management Principles and Guidelines](#)
- [SafeWork SA Managing WHS Risks](#)

## 9. Aboriginal Impact Statement Declaration

The needs and interests of the Aboriginal people have been considered in the development of this policy and there is no direct or indirect impact on the Aboriginal people.

## 10. Policy Approval

<p><b>Content Author:</b>                  Scott Carn                  Risk Management Team                  Phone:                  Date: 8 /07 /2019                  .....</p> <p><b>Manager:</b>                  Jim Phillips                  Risk Management Team                  / /</p>	<p>.....                  Jonathan Boyd                  Director, QARBI                  Finance and Business                  Services                  / /</p>	<p>.....                  Daniel Green                  A/Chief Financial Officer,                  Finance and Business                  Services                  / /</p>
<p><b>Comments:</b></p>	<p style="text-align: center;"><b>APPROVED / NOTED</b></p> <p style="text-align: center;">-----</p> <p style="text-align: center;"><b>Chief Executive</b></p> <p style="text-align: center;">/ /</p>	

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