



St John the Baptist Anglican Church Canberra

Policy on	Risk Management
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Responsible agency	Risk Advisory Committee
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First introduced	December 2017
Parish Council review	August 2019
Next revision due	May 2021

LEGISLATION AND STANDARDS

This policy is bound by The Master Policy of the Parish (www.stjohnscanberra.org Parish Council Login) which recognises the Five Marks of Mission of the Anglican Communion and the *Governance of the Diocese Ordinance* as the foundations on which our actions are based.

Definitions:

- *Risk* is the possibility of events or activities impeding the achievement of the objectives or any undertaking of the Parish.
- *Source of risk* is any situation or state of repair of any building or structure, or any threat to or weakness in a process or activity that might impede or inhibit the achievement of the objectives of our mission.
- *Risk Management Process* is the systematic application of management policies, procedures and practices to the tasks of identifying, analysing, evaluating, treating, minimising and monitoring risk.

Standards:

AS/NZ ISO 31000:2018 Risk Management Guidelines
Diocesan Risk Management Policy (January 2019)

PRINCIPLES

Under the Australian Tax Office and Fair Work Australia guidelines St John's is categorised as a 'small business' requiring us to satisfy a range of obligations and compliance. Our Australian Business Number (ABN) is 588 5905 7978 and we are included in the Charity Register of the Australian Charities and Not-for-profits Commission (ACNC).

The following principles are applied by Parish Council when managing risks to the Parish Mission:

- maintain alignment with Diocesan policies as available
- focus, within our resources, on actions that are achievable to reduce the likelihood of negative consequences and maximise beneficial consequences
- modify risks to take account of changing circumstances and feedback
- ensure all have a strong focus on risk

An understanding of our risks will assist the Parish Council, in its governance role, to rank them in priority order.

The Policy applies to all people associated with the parish, including volunteers, employees, clergy, contractors, visitors and those to whom we provide support in any way.

The purpose of this policy is to:

- minimise risk within all areas of the parish
 - incorporate risk management into St John's parish governance systems and management processes
 - ensure that significant risks within the parish are identified and appropriate strategies are put in place
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PROCEDURES

Risk Management Process

- i) applies to all activities: indoors, outdoors, projects, programs, age groups, administration, assets and equipment, publicity, fundraising, and financial management among others whether undertaken by paid or volunteers.
- ii) includes:
 - a. Understanding the context in which the risk assessment is being carried out (what are we trying to accomplish? (What are the areas of concern?))
 - b. Identifying potential risks and outcomes (What could happen and what would be the result if it did happen?)
 - c. Identifying and valuing the controls in place which have a mitigating effect on the risk (What's in place now that reduces either the likelihood of the risk occurring or the consequence if the risk does occur?)
 - d. Analysing the risk in terms of its consequence and acceptability.
 - e. Developing and implementing strategy and an action plan to reduce the unacceptable risks. (What action can we take)
 - f. Appropriately monitoring, reporting and publicising the overall effectiveness

This standardised approach accords with the AS/NZ ISO 31000:2018 Risk Management Guidelines. The Attachment provides a framework its implementation across the Parish.

Risk Prioritising

Risks will be prioritised. Risks which could result in personal injury or fatality will be given the highest priority.

Stewardship of Risks

Each risk will have a designated Risk Steward who is responsible for its monitoring and reporting. Extreme level risks are to be reported to the Parish Council. High level risks are to be reported to the Rector while medium level risks are to be managed by Directors / Chairs of each of the parish organisations and those individuals who work alone. In all cases, should Risk Stewards be unable to manage their risks Parish Council is to be advised, immediately.

Control Framework Owners

Effective management of risk requires disciplined management of current controls (those processes and practices currently in place to manage / mitigate a risk). A number of similar controls can be grouped under a Control Framework as noted in the standardised approach. Control Framework Owners are to report the effectiveness of their controls to the Parish Council (through the Risk Advisory Committee) annually or earlier should controls lose their effectiveness.

Responsibilities

Responsibilities for the governance of this policy include:

Parish Council is to develop and implement the risk management policy and procedures and has responsibility for deciding what risks the Parish will accept and treat, including setting priorities and allocating resources (see attachment, parts B, C and H).

The Rector oversees the management of any assigned parish wide risks in accordance with the standardised risk management approach

Risk Advisory Committee monitors the effectiveness of the risk management process across the parish in accordance with its charter

Risk Stewards ensure that this policy is implemented in their area of responsibility.

Control Framework Owners assure the effectiveness of the controls

Parishioners are encouraged to identify risks to their parish activities and to communicate, collaborate and consult with their peers. They are invited to contribute to the risk monitoring across the precinct.

Monitoring and Review

Parish Council will:

- schedule an annual evaluation of the parish performance
 - ensure there is appropriate and adequate training to promote and support this risk management policy across the parish
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Parish procedures for the management of risk

This is a standardised approach for risk management across the Parish in accordance with the Parish Risk Management Policy.

The standardised approach comprises:

- A. Parish Risk Matrix
- B. Likelihood definitions
- C. Parish Consequence definitions
- D. Parish-wide Risks
- E. Control Framework and Owners
- F. Control Framework Effectiveness Definitions
- G. Terms of Reference for the Parish Risk Advisory Committee (to be validated)
- H. Parish Risk Management Reporting Procedures

A Parish Risk Matrix

	Minor	Major	Critical	Catastrophic
Almost certain	Medium	High	Extreme	Extreme
Likely	Medium	High	Extreme	Extreme
Possible	Medium	High	High	Extreme
Unlikely	Medium	Medium	High	Extreme

B Indicative 'Likelihood' definitions

Likelihood	Suggested Draft and Indicative likelihood bands
Almost certain	Expected to occur annually
Likely	Expected to occur within three years
Possible	Expected to occur within ten years
Unlikely	Expected to occur every fifty years

C Parish consequence chart

	WHS	Worship	Outreach	Children & Youth	Pastoral Care	SJC	Heritage & Environmental	Reputation	Cash Flow
Catastrophic	Unforeseen fatality	Schism / congregation fighting	No culture wanting the church to grow (Church is seen as irrelevant)	Lack of trust – Families and Leaders leave the church – lose critical mass	Loss of reputation, litigation and loss of confidence resulting in loss of parishioners	<ul style="list-style-type: none"> • Building burns down • Long term loss of donations 	Loss of building	Parishioners walk away	>=\$250,000
Critical	Hospitalisation	Loss of community	SJ is perceived as non-caring (Reputational damage)	Cannot sustain – lack of leadership (Unable to operate throughout the 4 school terms)	Parishioners' / families discontent that SJ does not care for its people resulting in some loss of parishioners	<ul style="list-style-type: none"> • Assault on volunteers/ staff and or clients • Volunteers not available for 5 days • Allegation of sexual assault 	Services / core business interrupted for up to six months	Loss of confidence in the leadership team	>=\$200,000
Major	Medical / counselling intervention required	No outward focus / self-absorbed	People not taking ownership of growing the church	No volunteers to assist (Unable to operate for a month)	SJ is a divided community	Poor quality service eg food poisoning of client	Services / core business interrupted for up to three months	Negative media focus for a month	>=\$100,000
Minor	Trips and falls	Congregational discontent	Community not aware of our presence	Complaints -	Internal complaint	Some services not available for a day	Minor damage resulting in some facilities not being available for a short time	Negative media focus for a couple of days	>=\$50,000

D Parish-wide risks

The analysis of Parish risks is an on-going process, subject to continual review. The following chart is indicative of how risks can be categorised; its review is the responsibility of the Risk Advisory Committee and the Control Owners, who will advise Parish Council, from time to time, of significant updates.

		Risk	Steward	Likelihood	Consequence	Risk Level	Commentary
1		Avoidable death of a person on the property or off site acting on behalf of St Johns	Rector	Unlikely	Catastrophic?	High	
2		Serious physical injury of a person on the property or off site acting on behalf of St Johns	Rector	Unlikely	Critical	High	
3		Physical/verbal / sexual abuse of a person linked to St John's within or outside the precinct	Rector	Likely	Critical	Extreme	
4		Failure to comply with legislative regulatory requirements	Rector	Possible	Critical	High	
5		Loss of key staff	Rector	Likely	Major	Extreme	
6		Significant damage to buildings / equipment / grounds	Rector	Unlikely	Critical	High	
7		Theft	PC	Likely	Major/minor	Medium	
8		Loss / hacked information	PC	Possible	Major	Medium	
9		Minor damage to buildings / equipment / grounds	PC	Possible	Minor	Medium	
10		Inadequate cash flow	PC	Possible	Major	High	
11		Loss of reputation	Rector	Unlikely	Catastrophic	Extreme	

Reporting Arrangements

	Risk Level	Reporting to
	Extreme Risk	Parish Council
	High Risk	Rector
	Medium Risk	Director / Committee Chair

E Control Frameworks and Owners

	Control Framework	Owners - Accountability	
	Information management	Rector	
	Family and youth worship administration	Family and youth ministers	
	HR – employment and transition	Diocese	
	Staff development	Diocese	
	Legal	Diocese	
	Major contract and lease management	Diocese /Wardens	
	ICT Management	Rector / IT Consultant	
	Heritage management	Property and Maintenance Committee	
	Gardening maintenance	Property and Maintenance Committee	
	Property management	Property and Maintenance Committee	
	Maintenance management	Property and Maintenance Committee	
	Pastoral Care for the Aged	Aged Care Minister and Reference Group	
	Office volunteer management	Office Administrator	
	Car parking	Office Administrator	
	Volunteer development	Office Administrator	
	Security Systems	Office Administrator	
	Administration	Office Administrator	
	Function / venue management	Office Administrator	
	Procurement management	Office Administrator	
	Strategic management	Parish Council	
	Accountabilities	Parish Council	
	Risk management	Parish Council	
	Investment management	Parish Council	
	Communication management	Rector	
	Business management	Rector	
	Worship	Rector/Assistant Priest	
	WHS	Rector	
	Outreach	Rector	
	Pastoral care	Rector	
	Marketing	Rector	
	Relationship management	Rector	
	Music	Director of Music	
	Food preparation, storage & handling	EO St John's Care	
	Financial management	PC	
	Safety/mental illness response	EO St John's Care	

F Control Framework Effectiveness Definitions

(To be used in their annual review by the Control Owners as they assess the effectiveness of their Control Frameworks)

		Assessing Individual Controls	Assessing overall Control Environment
1	Excessive	Control working well and may be simplified	Not necessary, too resource intensive and not producing the required benefit
2	Fully Effective	Performing as expected, within tolerances, no adverse side effects. No improvement required	Controls provide reasonable assurance that risk is being managed as expected, and objectives can be met. No improvements required
3	Requires Improvement	Does not always perform as expected, or partially effective. Control may be resulting in adverse side effects. Requires improvement	Controls provide some assurance that risk is being managed and improvements need to be made.
4	Not Effective	Not performing as expected. Not controlling causes / consequences. Significant improvement required	Controls do not provide reasonable assurance that risk is being managed and objectives being met. Significant improvements need to be made.
5	Not yet assessed	Insufficient information to make an assessment	Significant portions of the control environment are not known nor properly understood.

**St John's Anglican Church Canberra
Parish Council
Risk Advisory Committee
Terms of Reference**

**First approved by Parish Council at the 17 June 2015 Meeting
Name of Committee changed at 17 February 2016 Parish Council meeting
This text has been agreed by RAC members April 2017**

As a Committee of Parish Council its members will:

- 1) Advise the Parish Council on risks to the Parish Council Terms of Reference.
- 2) Advise the Parish Council on risks to the St John's interpretation of the Five Marks of Mission and the effectiveness of the current controls and treatments.
- 3) Advise the Parish Council on the effectiveness of, and adherence to, its risk management practices and procedures by St John's Parish Council and its committees.
- 4) Coordinate the education and training of risk management practices as required across the Parish.

Appointment

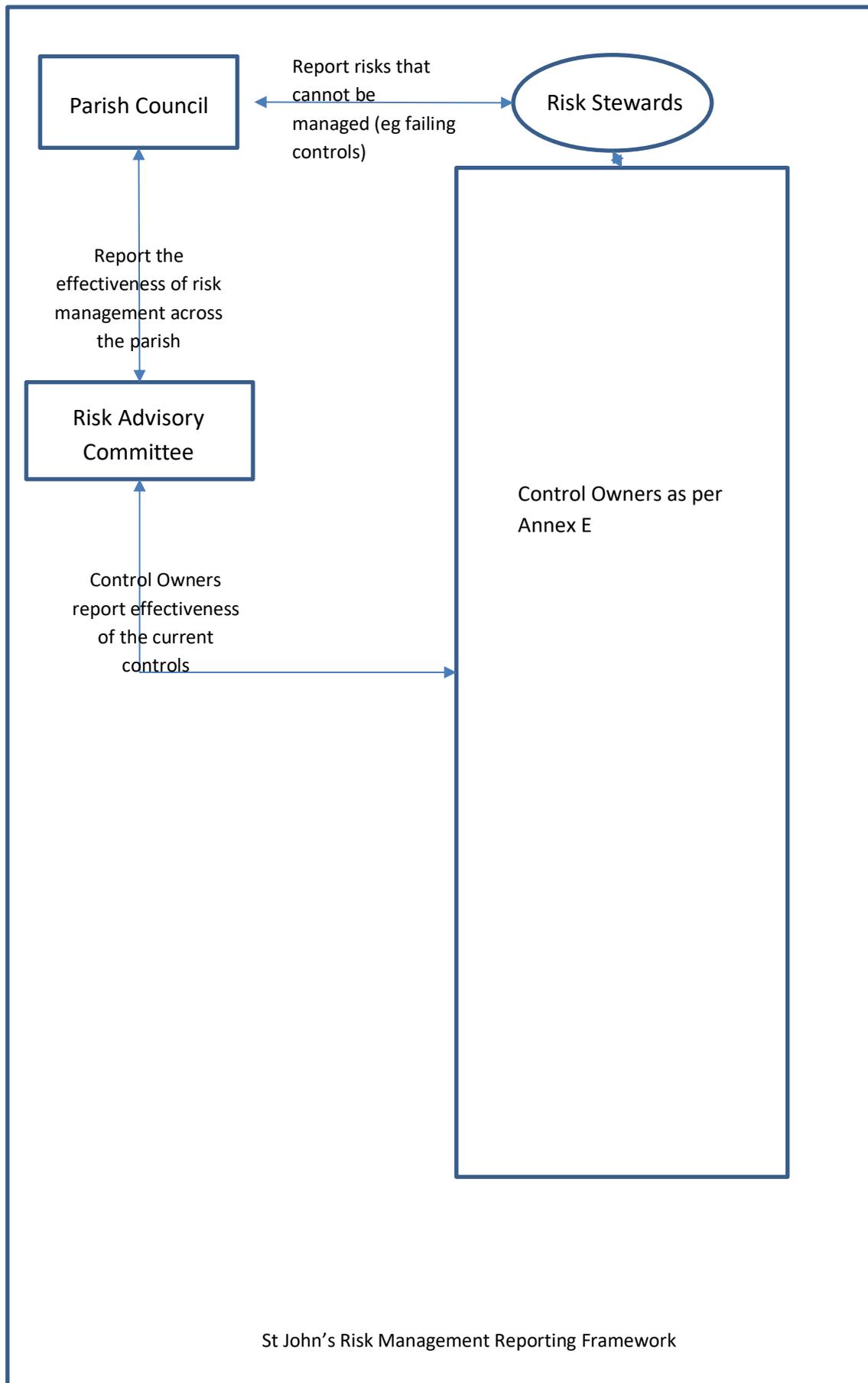
The Committee's members will include:

- . Chair, to be a member of the Parish Council
- . Rector, ex officio
- . Director, St John's Care, and those appointed by Parish Council.

The Committee will provide a report on its activities to the Parish Annual General Meeting.

The Members as at April 2019 are: the Rev'd Canon Paul Black (Rector), Sarah Murdoch, John Stafford and Helen Wilson

H Parish Risk Management and Reporting Framework



I St John's Parish Risk Register Template - how to be used?**SJ Key Risks**

Risk	Source	Controls (& effectiveness)	Likelihood	Consequence	Risk Level	Treatment