RISK MANAGEMENT POLICY

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Drafted by	Nick Reid, Kàren Zirkler	Approved by Board on:	10 June 2026
Responsible person	Kàren Zirkler	Scheduled review date:	June 2028

1. Purpose

This policy establishes Southern New England Landcare Ltd's approach to identifying, assessing, managing and monitoring risk to support effective governance, decision-making and the achievement of strategic and operational objectives.

The Policy aligns with the principles of ISO 31000 and supports compliance with the requirements of the Australian Charities and Not-for-profits Commission Governance Standards and applicable legislation.

Operational risks, including Work Health and Safety (WHS) risks, are managed through supporting systems, including the organisation's WHS Management System.

2. Scope

The policy applies to all directors, staff, contractors and volunteers involved in organisational activities, including governance, programs, fieldwork and events.

3. Risk Management Principles

The organisation adopts the following principles:

- Risk management is integrated into all organisational activities and decision-making
- Risk management is structured, systematic and proportionate to the level of risk
- Decisions are informed by the best available information
- Risk management supports continuous improvement
- The organisation promotes a culture of accountability, transparency and consultation.

4. Risk Categories

1. Strategic (i.e. high-level planning, governance, policy, board functioning)
2. Legal, compliance and regulatory (ACNC, ASIC and other statutory requirements)
3. Financial (sustainability, funding, budgeting, liquidity, reserves, fundraising and financial controls)
4. Operational (program delivery, projects, ecological outcomes, staff, volunteers, training, WHS, fieldwork and office safety, information security & technology, system resilience, cyber)
5. Reputational (stakeholders, community, donors, partners)

6. Environmental and external (climate, external environment and regulatory change).

5. Risk Appetite Statement

The organisation adopts the following approach to risk:

- Zero tolerance for:
  - serious harm to people
  - unlawful conduct
  - fraud or misuse of funds
  - significant environmental damage.
- Low tolerance for:
  - non-compliance with policies or procedures
  - reputation damage
  - project delivery failures
- Moderate tolerance for:
  - variability in environmental or program outcomes
  - operational challenges that are actively managed.
- High tolerance for:
  - innovation and pilot initiatives where risks are identified and controlled.

6. Risk Management Framework

Risks are managed through a structured process of:

1. Identification – identifying hazards, threats and opportunities
2. Assessment – evaluating likelihood and consequence
3. Control – implementing measures to eliminate or minimise risks
4. Monitoring and Review – ensuring controls remain effective.

Control measures are selected in accordance with the hierarchy of controls where applicable.

7. Risk Controls

Risk controls may include:

- Policies, procedures and governance processes
- Training, supervision and competency requirements
- Financial controls and audits
- Insurance
- Environmental protection measures
- Contractual controls
- WHS controls, including:
  - Activity Risk Assessments (task-level risk assessments)
  - Safe Operating Procedures
  - incident and hazard reporting

Detailed control measures are implemented through supporting procedures and operational systems.

8. Hierarchy of Controls

Southern New England Landcare Ltd uses the hierarchy of controls to guide selection of the most appropriate controls to treat a given risk. The hierarchy of controls ranks control measures from most effective to least effective, based on their ability to eliminate or reduce risk:

1. Elimination – removes the hazard entirely
2. Substitution – replaces a hazard with a safe alternative
3. Isolation – isolates the hazard from people and other substances that it can damage
4. Engineering – physical changes made to the workplace, equipment of environment to reduce exposure to the hazard
5. Administrative – systems of work, procedures, training, supervision and scheduling to reduce exposure to the risk
6. Personal Protective Equipment (PPE) – equipment worn by individuals to reduce exposure to hazards.

In most cases a combination of controls will be required to adequately manage risk. Lower-order controls will be used to supplement high-order controls where residual risk remains after the application of elimination, substitution, isolation or engineering controls.

9. Responsibilities

Board:

- Approves this policy and sets risk appetite
- Oversees the effectiveness of risk management, including WHS risks
- Monitors strategic and material risks.

Risk Committee:

- Oversees the risk management framework
- Reviews risk registers, incidents and trends
- Monitors effectiveness of controls and systems.

Chief Executive Officer (CEO)

- Implements the risk management framework
- Ensures appropriate resources and systems are in place
- Reports material risks to the Board.

Managers, Coordinators and Activity Leads

- Identify and manage risks within their areas of responsibility
- Implement controls in accordance with policies and procedures
- Ensure WHS risks are managed through the WHS Management System.

Staff, Contractors and Volunteers

- Comply with policies, procedures and risk controls
- Take reasonable care for their own safety and that of others
- Report hazards, incidents and risks.

10. Risk Register

The organisation maintains a Risk Register to record and monitor risks, including:

- Risk description and category
- Likelihood and consequence
- Control measures
- Residual risk rating
- Responsible person
- Review frequency

Operational risks, including WHS risks, may also be managed through supporting tools and systems.

11. Incident and Risk Reporting

- Incidents, hazards and near misses must be reported promptly
- WHS incidents are managed in accordance with the WHS Management System
- Notifiable incidents are reported to the regulator as required
- Significant risks and incidents are escalated to management and the Board.

12. Monitoring and Review

- Risk management performance is monitored regularly
- The Risk Register is reviewed at least annually
- The Board receives periodic reports on key risks
- Lessons learned from incidents are used to improve systems.

13. Relationships to Other Systems

This Policy is supported by:

- the WHS Management System (for operational safety risks)
- financial management and internal control systems
- environmental and program procedures
- contractor and volunteer management processes

These systems define how risks are managed in practice.

14. Review

This Policy will be reviewed:

- at least every two years
- following significant organisational or legislative change
- where improvements are identified.

Authorisation

Em. Prof. Nick Reid
Chair, Southern New England Landcare Ltd
10 June 2026