



## RISK MANAGEMENT POLICY

### 1. Purpose

The purpose of the Risk Management Policy is to embed risk management as part of the culture of AFTRS where a shared understanding of risk leads to well-informed decision making. It also supports how AFTRS meets the requirements of the *PGPA Act 2013* in relation to systems of risk oversight, management and internal control.

### 2. Scope

This policy applies to AFTRS and the activities of its staff, students, Council and Council Committees.

### 3. Policy Statement

The effective management of risk is central to AFTRS achieving its purpose to support the development of a screen arts and broadcast culture in Australia, including through the provision of specialist industry-focused education, training and research. Effective risk management enables AFTRS to improve its ability to capitalise on opportunities, mitigate negative outcomes and achieve better performance for all its stakeholders. AFTRS risk management approach complements and improves its strategic, operational and business planning.

AFTRS has adopted a structured and consistent approach to assess and treat all types of risk, at all levels, and for all activities, through its multi-level Risk Management Framework (see Appendix 1). The Risk Management Framework details how AFTRS manages elements of governance, policies, process, review and consultation. Key elements of the framework are the Business Risk Assessment, and the monitoring and review processes of the Finance, Audit and Risk Management (FARM) Committee.

#### 3.1 Risk Appetite

AFTRS recognises that this policy is not intended to eliminate risk. The effective implementation of this policy is intended to promote a productive, innovative and efficient organisation by enhancing its capacity to pursue its objectives based on the best information available and an informed understanding of challenges and opportunities.

AFTRS understands that in order to achieve its objectives it must be willing to take and accept risk. The risk appetite statement is used to communicate the Council and CEO's expectations of how much risk AFTRS is willing to accept.

In summary, AFTRS has a low appetite for risks relating to:

- Workplace health, safety and wellbeing of our students, staff and the community
- Administration of finances and assets
- Regulatory compliance
- Academic integrity.

AFTRS has a higher appetite for risk where the benefit outweighs the risk and the activity relates to:

- Innovative initiatives
- Emerging technologies
- Creative practice.

### 3.2 Business Risk Assessment

The Business Risk Assessment (BRA) identifies the key risks to the AFTRS through the creation of a risk register. The assessment is conducted through the mechanism of a risk map and allocation of a risk rating that reflects the likelihood of the risk event occurring and the consequence of the event should it occur. The risk map identifies different level of risks: high, significant, moderate and low.

AFTRS' risk tolerance and escalation is defined within each level of risk. Any risk at a high or significant level must be escalated to the CEO in the first instance, and reported to FARM in accordance with the FARM Charter. AFTRS risk tolerance is informed by the Administrative Orders, and the Financial and Human Resources Delegations.

The BRA is reviewed quarterly to take into account changes to the School's overall risk environment and reported quarterly to the FARM Committee and Council. The BRA also forms the basis for the development of the Internal Audit Plan that is reviewed and endorsed by the FARM Committee for approval by Council.

The approach to risk assessment contained in the BRA is consistent with the Risk Management Standard AS/NZS ISO 31000:2009 *Risk management – Principles and guidelines*.

## 4. Accountability and Responsibility

**AFTRS Council** is responsible for overseeing risk management within the context of AFTRS' broad strategy and purpose on advice from the FARM Committee and the CEO. Under the PGPA Act, AFTRS Council has a *Duty to establish and maintain systems relating to risk and internal control (s.16)*. Council must approve the Risk Management Policy, Fraud Control Policy, and Business Risk Assessment.

**The Finance, Audit & Risk Management (FARM) Committee** is responsible for the monitoring and review of AFTRS' financial reporting, performance reporting, system of risk oversight and risk management, and system of internal control. The Committee provides the governance structure to ensure that appropriate action is taken if events arise that may affect the risk profile of AFTRS. FARM reviews and endorses the Business Risk Assessment, Internal Audit Plan and monitors the implementation of audit recommendations and other plans that reduce risk.

**The CEO** is responsible for leadership in terms of risk management for AFTRS, including ensuring the correct functioning of critical controls, and responding to and reporting on significant risks which may emerge from time to time.

**AFTRS Executive** members are accountable for strategic and operational risks within their Division. Collectively, the Executive is responsible for the identification of strategic and operational risks that impact upon the School's purpose and for allocating priorities for risk management.

**The Director of Corporate Services** is accountable for the establishment, implementation and maintenance of the system of risk management in accordance with this policy, ensuring its integration with other planning processes and management activities. The Director of Corporate Services is

responsible for reporting to the FARM Committee on risk management and assessing risks for any new business activities.

**The Director of Technology and Infrastructure** is accountable for the risk management and assessment of key systems including Information Technology and ensuring its integration with other processes and management activities.

**Staff** are responsible for identifying actual or potential risks, and communicating such risks to management, for carrying out principle risk management activities as directed by management, and attending relevant training.

## 5. Review and continuous improvement

AFTRS reviews the risk management framework and the application of risk management practices annually as part of its consideration of meeting its obligations under the PGPA Act. This assessment is provided to the FARM Committee for endorsement before approval by Council.

At the commencement of each financial year, a Risk Management Plan outlining actions to continually improve the application of risk management practices is developed by the Director of Corporate Services for approval by the FARM Committee.

## 6. Definitions

<b>Risk</b>	effect of uncertainty on objectives.
<b>Inherent risk</b>	the potential risks that are likely to arise due to the nature of the activity.
<b>Residual risk</b>	the risk remaining after consideration of controls or mitigating activities.
<b>Risk appetite</b>	the amount of risk an entity is willing to accept or retain in order to achieve its objectives. It is a statement or series of statements that describes the entity's attitude toward risk taking.
<b>Risk management</b>	co-ordinated activities to direct and control an organisation with regard to risk.
<b>Risk assessment</b>	overall process of risk identification, risk analysis and risk evaluation.
<b>Risk oversight</b>	the supervision of the risk management framework and risk management process.
<b>Risk profile</b>	a set of risks that relate to an organisation.
<b>Risk tolerance</b>	the levels of risk taking that are acceptable in order to achieve a specific objective or manage a category of risk.

## Authorisation and Distribution

<b>Authorisation Date</b>	AFTRS Council 23 June 2015
<b>Endorsement Date</b>	FARM Committee 16 June 2015
<b>Responsible Officer</b>	Director Corporate Services
<b>Contact Officer</b>	Head of Policy & Governance
<b>Effective Date</b>	23 June 2015
<b>Distribution</b>	Intranet and AFTRS website
<b>Review Date</b>	Annual
<b>Current version</b>	Risk Management Policy v1.0 23 June 2015
<b>Supersedes</b>	Risk Management Policy 23 March 2012
<b>Associated Documents</b>	Risk Management Framework Risk Management Plan Business Risk Assessment FARM Charter Administrative Orders Financial and Human Resources Delegations Fraud Control Policy and Plan WHS Policies and Procedures

## AFTRS RISK MANAGEMENT FRAMEWORK

GOVERNANCE STRUCTURES	KEY STRATEGY & POLICY DOCUMENTS	REVIEW FREQUENCY	MONITORING PROCESSES	COMMUNICATION & CONSULTATION
<b>COUNCIL</b> 6 TIMES/YEAR	CORPORATE PLAN INSURANCE PORTFOLIO COMCOVER BENCHMARKING SURVEY ADMINISTRATIVE ORDERS DELEGATIONS <b>RISK MANAGEMENT POLICY</b> <b>RISK MANAGEMENT PLAN</b> FRAUD CONTROL POLICY	ANNUAL	COUNCIL MEETINGS COMCOVER BENCHMARKING SURVEY  FRAUD CONTROL PLAN	DISTRIBUTED ONLINE  ONLINE TRAINING IN FRAUD AWARENESS
<b>FINANCE, AUDIT &amp; RISK MANAGEMENT COMMITTEE</b> QUARTERLY	AFTRS BUDGET  <b>BUSINESS RISK ASSESSMENT</b>  INTERNAL AUDIT PLAN EXTERNAL AUDIT	BIANNUAL  QUARTERLY  QUARTERLY BIANNUAL	FARM MEETINGS MID YEAR REVIEW MONTHLY REPORT TO DEPT FINANCE  REVIEW OF BUSINESS RISK ASSESSMENT DELOITTES CONDUCT THE INTERNAL AUDIT PROCESS ANAO CONDUCT THE EXTERNAL AUDIT PROCESS	VIA EXECUTIVE DIRECTORS TO DIVISIONAL STAFF INTERNAL & EXTERNAL AUDITORS SEEK INFORMATION FROM MGT & RELEVANT STAFF
<b>ACADEMIC BOARD</b> QUARTERLY	APPROVES CURRICULUM DOCUMENTS	EVERY 3 YRS (MORE FREQUENT AS REQUIRED)	ACADEMIC BOARD MEETINGS FEDERAL LEGISLATIVE INSTRUMENT	DISTRIBUTED TO STAFF ONLINE SUBJECT REVIEW COMMITTEES
<b>EXECUTIVE</b> WEEKLY	EXECUTIVE APPROVES ALL DOCUMENTS INCLUDING <ul style="list-style-type: none"> <li>• WHS POLICIES</li> <li>• ANTI-BULLYING POLICY</li> <li>• PRIVACY POLICY</li> <li>• PUBLIC INTEREST DISCLOSURE</li> <li>• COPYRIGHT POLICIES</li> <li>• CONTRACTORS POLICY</li> <li>• CRITICAL INCIDENT FRAMEWORK</li> <li>• BUSINESS CONTINUITY POLICY</li> <li>• EMERGENCY MANAGEMENT</li> <li>• ASSET MANAGEMENT POLICY</li> <li>• CHILDREN ON PREMISES POLICY</li> <li>• UNDER 18's POLICY –OPEN</li> </ul>	EVERY 3 YRS (MORE FREQUENT AS REQUIRED)	EXECUTIVE MEETINGS HD POLICY & GOVERNANCE ADVICE LEGAL ADVICE RISK ASSESSMENT FOR NEW ACTIVITIES STUDENT SAFETY ASSESSMENTS FOR ALL PRACTICAL PROJECTS & ACTIVITIES  BUSINESS CONTINUITY MASTER RECOVERY PLAN DISASTER RECOVERY PLAN  WORKING WITH CHILDREN CHECKS POLICE CHECKS	POLICIES DISTRIBUTED ONLINE WHS COMMITTEE HEALTH & SAFETY REPRESENTATIVES WHS TRAINING STUDENT SAFETY TRAINING WORKPLACE BULLYING ONLINE TRAINING STUDENT INDUCTION BUSINESS CONTINUITY COMMITTEE  SCHOOLS ADVISORY COMMITTEE