Risk Management Policy

Section 1 - Purpose

(1) The Catholic Diocese of Maitland-Newcastle's (the Diocese) mission allows it to serve all in the community so they may experience life to the fullest. The Diocese fulfils this mission through its objectives and the ministries and activities the Diocese undertakes to achieve these.

(2) Risk is the effect of uncertainty on achieving these objectives. Managing risk proactively and adopting good risk management practices across the Diocese, parishes and agencies that respect the teachings and values of the Catholic Church, contribute to sound management practice and risk-informed decision-making to build a contemporary Catholic workplace that is safe, supportive, and compliant with all relevant laws.

(3) The Diocese is committed to ensuring appropriate risk management and internal control systems across all its parishes and agencies.

(4) The Risk Management Policy identifies how risk management practice is integrated into planning and activities to facilitate the achievement of strategic and operational objectives.

(5) The Risk Management Policy is supported by the Risk Management Framework and Risk Appetite Statement and resources that aim to ensure appropriate risk-informed decisions are made considering the benefits and risks of activities and opportunities to safeguard workers, students, vulnerable persons in our care and the people we support and serve and to promote financial sustainability and protect the assets of the Diocese.

Section 2 - Scope

(6) This policy applies to all Diocesan workers including its agencies. This policy also applies to parishes if decreed by the Bishop. It applies to the activities workers undertake on behalf of the Diocese, including:

   a. conducting any planning activity;
   b. assessing specific work health and safety implications or concerns;
   c. assessing and managing fraud;
   d. conducting significant procurement activities;
   e. undertaking business continuity and disaster recovery planning; and
   f. assessing protective security requirements.

(7) The Risk Management Framework provides information on the definitions of risk management terms.

(8) Common terms and definitions are defined in the glossary.

Section 3 - Risk Management Principles

(9) The Diocese incorporates AS ISO 31000:2018 best practice risk management principles, framework and process into our ministries, activities, and processes. Risk management is:

a. an integral part of the overarching governance, financial assurance, and compliance frameworks.

b. structured and linked to the strategic objectives.

c. tailored to the needs of the Diocese and individuals impacted and proportionate to the risks.

d. dynamic with a focus on continual improvement and achieving better outcomes.

e. managed transparently with the relevant management accountability for the management of the risks.

Section 4 - Policy Statement

(10) The Diocese manages risk at all levels of the organisation, integrating the principles and processes as outlined in AS ISO 31000:2018 Risk Management – Guidelines into all aspects of the Diocese's activities, planning and decision-making processes.

(11) The Diocese will implement and maintain a single framework and an appropriate enterprise-wide risk system for reporting, managing, and monitoring risk and internal controls effectiveness.

(12) Risk must be managed at the appropriate level to be effective. Accountability for activities within the Risk Management Framework will be allocated to those with delegated authority levels necessary for decision-making.

(13) Staff receive risk awareness training and risk management training appropriate to their role and responsibilities.

(14) Risk is to be considered in any planning process undertaken within the Diocese, including but not limited to planning for activities, events, service provision, innovative ideas, and projects.

(15) Risk assessments must follow the policies, framework and practices and use the criteria detailed in the Risk Management Framework. See the linked Risk Assessment Guide.

(16) A person-centred approach must be applied to individuals' risk assessment, planning and response. Risk assessment should consider:

a. each person has the right to participate in decisions that affect their lives.

b. children and vulnerable persons can make risk-informed choices within reasonable boundaries.

c. the importance of balancing a person's capacity for decision-making with the need to mitigate risks to their safety and well-being.

d. the person's perspectives, capabilities, and support requirements to ensure their safety and well-being are prioritised and their right to independence, informed decision-making and dignity of risk are respected.

e. communication must be clear and accessible to ensure that information regarding potential risks, available choices, and associated consequences are easily understood and delivered appropriately for each individual's capacity, abilities, and preferred communication methods.

(17) Action must be taken to identify, remove, minimise, or manage risks that cannot be eliminated. This action includes documenting threats and mitigation plans and communicating and making these available to relevant stakeholders.

(18) Risks are recorded and updated in the Diocese's centralised risk register system.

(19) All risk registers will be periodically reviewed, and control effectiveness will be monitored.

(20) Risk reports must be prepared and submitted regularly to senior leadership and committees within specified times. Reports are to provide the information necessary to make risk-informed decisions.

Section 5 - Performance Measures

(21) The performance of the risk management program of activities will be measured in three distinct categories:

    a. Compliance with this policy;

    b. Maturity of the risk management program; and

    c. Value adds to the mission and activities of the Diocese.

(22) Further information about performance measures for the risk management program is detailed in the Risk Management Framework.

Section 6 - Roles and Responsibilities

(23) The following table provides a broad overview of the roles and responsibilities for managing risks within the Diocese. The Risk Management Framework and Agency Risk Management Plans contain more detailed information roles and responsibilities.

Position	Responsibility	Responsible to
Trustees	Ensure the integration of effective risk management practices across the Diocese, parishes and agencies that respect the teachings and values of the Catholic Church, contribute to sound management practice and risk informed decision making to build a contemporary Catholic workplace that is safe, supportive, and compliant with all relevant laws.	Bishop
Diocesan Advisory Board (DAB)	Ensuring appropriate risk management and internal control systems are in place and are reviewed regularly to ensure the effectiveness of the Diocesan Risk Management Program.	Bishop
Diocesan Audit and Risk Committee (DARC)	Monitor the implementation and effectiveness of the Diocese Risk Management Program and practices that are appropriate and meet the needs of the Diocese and stakeholders.	DAB
Chief Executive Officer (CEO)	♦ Oversee the Diocese's risk management efforts, including delivering on strategic objectives while managing risks appropriately. ♦ Ensure risk is managed within the Diocese and the Risk Management Framework is implemented within agencies.	Bishop
Diocesan Leadership Group (DLG)	The DLG is responsible for providing leadership for implementing and maintaining the risk management program through involvement in the process, allocating sufficient resources and effective engagement with all Diocesan stakeholders on risk matters	DAB
Head of Governance (HoG)	♦ Responsible for ensuring the effective implementation of the Diocesan Risk Management Program. ♦ Ensure adequate resources are allocated to implement and maintain the program's robustness, advice, support and management to agencies.	CEO
Principals / Managers	♦ Ensuring that risk is being managed following the Risk Framework within their School/Service ♦ Ensuring action plans and management responsibility are allocated for all high and extreme risks and mitigation strategies are regularly reviewed for effectiveness. ♦ Communicating and consulting with staff to ensure risks are identified, appropriate controls are established, and any necessary measures are taken regarding operational activities.	Head of Catholic Schools / Director of Agencies
Risk Owners	Manage, monitor, and report on the risk status they manage.	Line Manager
All staff	Identify and report hazards, incidents and risks, follow policies, procedures, and reasonable directions, and protect their and others' health and safety.	Line Manager

Section 7 - Interaction with other policies

(24) This policy must be read with the Risk Management Framework.

(25) It is expected that this policy is read and understood in conjunction with the existing policies and procedures of the Diocese.

(26) If there is any inconsistency between a policy document in existence before the commencement of this policy and a policy document developed after the commencement of this policy, the latter applies to the extent of the inconsistency

Section 8 - Consequences of Breaching of Policy

(27) Any worker in breach of this policy may be subject to disciplinary action, including dismissal where a serious breach occurs.

Section 9 - Document Review

(28) The Policy Management Policy and Policy Management Procedures govern the development, approval, implementation and ongoing management of policies, procedures and supporting documents.

(29) The document will be reviewed when there is a legislative change, organisational change, delegation change or at least every three years to ensure it continues to be current and effective.

Status and Details

Status	Current
Effective Date	3rd April 2024
Review Date	12th December 2026
Approval Authority	Head of Governance
Approval Date	12th December 2023
Expiry Date	To Be Advised
Unit Head	Megan Grainger Head of Governance
Enquiries Contact	James Heath Senior Policy Advisor Risk & Insurance

Glossary Terms and Definitions

"Diocesan worker" - A worker is a person who carries out work in any capacity for an employer or 'Person Conducting a Business Undertaking'. This includes employees, clergy, religious, trainees, apprentices, student placements, volunteers and contractors. In the Diocese of Maitland-Newcastle, 'diocesan worker' includes those who carry out work in and for parishes within the Diocese, within and for diocesan agencies and the diocesan curia

"Parishes" - "... is a certain community of the Christian faithful stably constituted in a particular church, whose pastoral care is entrusted to a pastor (parochus) as its proper pastor (pastor) under the authority of the diocesan bishop." (Can. 515§1) It also refers to the local parish as defined by its geographical boundaries.

"Vulnerable persons" - On 7 May 2019 Vos Estis Lux Mundi established a definition of vulnerability. The revised decree (27 March 2023) establishes that a vulnerable adult: means any person in a state of infirmity, physical or mental deficiency, or deprivation of personal liberty which in fact, even occasionally, limits his or her capacity to understand or will or otherwise resist the offence." Vos Estis Lux Mundi also states that "a person habitually suffering from the imperfect use of reason shall be equated with a minor". The National Catholic Safeguarding Standards (Ed. 2) apply the term 'adult at risk' which "means any person aged 18 years and over who is at increased risk of experiencing abuse". The term is very broad and significantly beyond what canon law deems to be vulnerable. The Diocese is guided by the understanding of vulnerability set out in Vos Estis Lux Mundi. To assist practical interpretation, the Diocese considers vulnerable persons as those who: ♦ have physical disability of sufficient severity as to make them dependent on another for assistance in everyday activities and self-care;   ♦ have a chronic or persistent mental illness that significantly impedes their competence to self-determine their lives;   ♦ have a developmental delay or other cognitive disability to a moderate or profound degree;   ♦ is neurodiverse to a degree that ongoing functioning in society requires assistance and support from another; or   ♦ becomes physically or mentally frail as a result of advanced years or personal history (e.g. having been in institutional or statutory care). Whilst a person may have a medical diagnosis or a statutory or other classification which evidences that person's vulnerability; it is not a prerequisite. For the purposes of this policy, the assessment of the diocesan worker that a person meets one or more of the criteria, based on credible evidence, is sufficient to determine that a person should be afforded the protections of being a vulnerable person. Individuals and families (including children) or other relationship groups who are classified as refugees or asylum seekers by the Australian Government are also considered vulnerable. An asylum seeker is a person who has fled their own country and applied for protection as a refugee.

"Fraud" - Is dishonest activity by a worker that causes actual or potential financial loss to the Diocese, including theft

of money or other property. It includes deliberate fabrication, concealment, destruction, or improper use of documentation used for a normal business purpose or the improper use of other information or position.

"Agency" - Diocesan agencies may also be referred to as directorates. Diocesan agencies are intra-diocesan organisational structures that have been established and developed in the life of the church, to undertake good works and services on behalf of the Diocese and have the capacity to bind the Diocese to its actions. For the most part, but not exclusively, diocesan agencies are led by executive directors. Examples of Diocesan agencies include: ♦ CatholicCare Social Services Hunter-Manning including the Development and Relief Agency (DARA);   ♦ Catholic Development Fund;   ♦ Catholic Schools Office and the diocesan systemic schools;   ♦ Hunter Community Housing;   ♦ Office of Safeguarding;   ♦ Pastoral Ministries;   ♦ St Nicholas services including Early Education centres and Out of School Hours Care (OOSH) services; and   ♦ Shared Services, which is inclusive of multiple specialist tertiary providers to diocesan parishes and agencies, that forms part of the Diocesan Curia.

"Worker" - A Worker is a person who carries out work in any capacity for an employer or 'Person Conducting a Business Undertaking'. This includes: ♦ employees;   ♦ teachers;   ♦ educators;   ♦ contractors;   ♦ apprentices;   ♦ clergy;   ♦ religious;   ♦ student placements;   ♦ trainees; and   ♦ volunteers/unpaid . In the Catholic Diocese of Maitland-Newcastle, 'worker' includes those who carry out work in diocesan parishes, within diocesan agencies and as a part of the diocesan curia.

"Objective" - Results to be achieved.

"Risk Management" - Risk management is the identification, assessment, and prioritisation of risks followed by coordinated and economical application of resources to minimise, monitor, and control the probability and /or impact of unfortunate events or to maximise the realisation of opportunities. Risk management incorporates the Diocese's readiness and capacity to accept risks as an inescapable part of undertaking its mission. Risk management's objective is to assure uncertainty does not deflect the endeavour from its missionary or business goals.