

RISK MANAGEMENT

PHILOSOPHY

Risk management is the coordination of activities to direct and control risks. Mount Waverley North Primary School recognises that a strong risk culture does not mean a culture of risk aversion. Risk management maximises the ability to deliver on school objectives, promotes sound decision making, works to safeguard student and employee wellbeing and contributes to meeting community and Government expectations for accountable and responsible use of public resources.

PURPOSE

- Proactive management of risk and opportunities
- Promote, improve and inform decision-making
- Standardise risk assessment practices within DET framework
- Work collaboratively to safeguard student and employee wellbeing
- Promote the application of risk management in all school activities, processes, practices and policy
- Align and prioritise resource allocation, decision making and corporate governance with risk management, including but not limited to:
 - the strategic plan
 - educational outcomes
 - financial management
 - human resources
 - education outdoors
 - well being
 - reputation

IMPLEMENTATION

Mount Waverley North Primary School utilises the Department's Enhanced Risk Management Framework adopting and using the procedures, guidelines, language and tools which can be accessed through the edugate Risk Management site at;

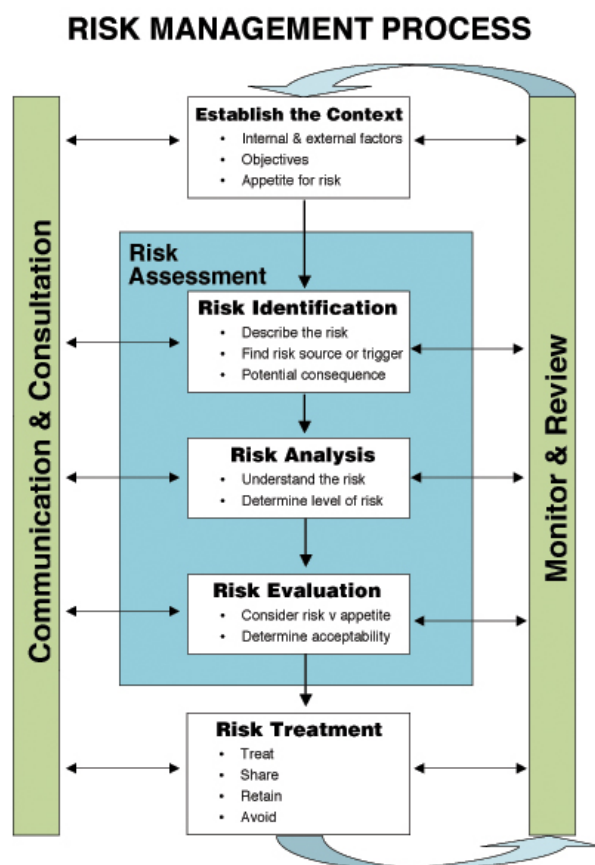
<https://edugate.eduweb.vic.gov.au/Services/Policies/Pages/Risk.aspx>

The school will:

- Identify and assess risks using:
 - Risk Management Process
 - DET Risk Framework
- Monitor and review identified risks in a systematic and timely manner
- Appropriately record assessed risks using the school risk register.
- Incorporate relevant Risk Register risks on appropriate school based documents.

RELATED

All school based documents, including but not limited to Policy, Protocol and Procedural documents.



Policy Approved by:	Principal Team
Effective Date:	June 2018
Review by Date:	November 2022

DET Risk Management Framework - Assessment Tools

Consequence Criteria: This guide provides indicative terms against which the significance of risk is evaluated.

Descriptor	Educational Outcomes	Wellbeing and Safety	Operational	Finance	Reputation	Strategic
Insignificant	<ul style="list-style-type: none"> Educational outcomes can be met with workarounds 	<ul style="list-style-type: none"> Minor injury requiring no first aid or peer support for stress / trauma event 	<ul style="list-style-type: none"> Objectives can be met with workarounds 	<ul style="list-style-type: none"> Small loss that can be absorbed 	<ul style="list-style-type: none"> Internal impact (no external impact) 	<ul style="list-style-type: none"> Impact can be managed through normal process
Minor	<ul style="list-style-type: none"> Learning outcomes / pathways achieved but below target 	<ul style="list-style-type: none"> Injury / ill health requiring first aid Peer support for stress / trauma event 	<ul style="list-style-type: none"> Objectives met with some resource impact Compliance incident(s) which are not systematic 	<ul style="list-style-type: none"> Loss of 'consumable' assets, < 2% deviation from budget Minor fraud possible 	<ul style="list-style-type: none"> Adverse comments local community media Short term stakeholder dissatisfaction / comment 	<ul style="list-style-type: none"> Minimal impact on critical DET objectives
Moderate	<ul style="list-style-type: none"> Student's overall levels of Literacy and Numeracy static Partial achievement of targeted learning outcomes Increasing truancy 	<ul style="list-style-type: none"> Injury / ill health requiring medical attention Stress / trauma event requiring professional support 	<ul style="list-style-type: none"> Objectives cannot be met without significant internal reprioritisation Regulatory breaches resulting in adverse inspections / reports 	<ul style="list-style-type: none"> Loss of assets 2% - 5% deviation from budget External audit management letter 	<ul style="list-style-type: none"> External scrutiny e.g. VAGO Adverse state media comment Stakeholder relationship impacted 	<ul style="list-style-type: none"> Significant adjustment to resource allocation and service delivery required to manage impact on corporate priority
Major	<ul style="list-style-type: none"> National targeted improvements not achieved Student dissatisfaction with access to pathways / transitions 	<ul style="list-style-type: none"> Injury / ill health requiring hospital admission Stress / trauma event requiring ongoing clinical support 	<ul style="list-style-type: none"> Objectives can only be met with additional resources Significant staff shortage impacting service delivery Serious failure to comply with regulations 	<ul style="list-style-type: none"> Loss of significant assets 6% - 15% deviation from budget External audit qualification on accounts High end fraud committed 	<ul style="list-style-type: none"> External investigation Adverse comments national media Stakeholder relationship tenuous 	<ul style="list-style-type: none"> Unable to deliver core program / Govt priority
Severe	<ul style="list-style-type: none"> Literacy and Numeracy decline Reduction in access to quality pathways and transitions 	<ul style="list-style-type: none"> Fatality or permanent disability Stress / trauma event requiring extensive clinical support for multiple individuals 	<ul style="list-style-type: none"> Multiple objectives cannot be met Sustained non-compliance to legislation Adverse Court Ruling 	<ul style="list-style-type: none"> Loss of key assets >15 % deviation from budget Systemic and high value fraud 	<ul style="list-style-type: none"> Commission of inquiry National front page headlines Stakeholder relationship irretrievably damaged 	<ul style="list-style-type: none"> Unable to deliver several core programs / Govt priorities

Likelihood Criteria: This guide provides the indicative terms against which the probability of a risk event occurrence is evaluated.

Descriptor	Description	Indicative %	Indicative Frequency
Almost Certain	Expected to occur	>95%	Multiple times in the next year
Likely	Probably will occur (no surprise)	66-95%	At least once in the next year
Possible	May occur at some stage	26-65%	Once in the next 3 years
Unlikely	Would be surprising if it occurred	5-25%	Once in the next 5 years
Rare	May never occur	<5%	Once in the next 10 years

Note:

1. *The **Likelihood Criteria** refers to the likelihood of the consequence descriptor you have selected i.e. the likelihood of a 'major' consequence.*
2. *The **Indicative Frequency** may not be relevant when assessing risks related to repeated activities, or when objectives are to be delivered over discrete periods of time. It should not be the sole basis for assessment.*

DET's Control Effectiveness: Indicates the self-assessment of control effectiveness.

Controls Effectiveness Rating and Criteria	
Ineffective	<ul style="list-style-type: none"> The design of controls overall, is ineffective in addressing key causes and/or consequences. Documentation and/or communication of the controls does not exist (e.g. policies, procedures, etc.). The controls are not in operation or have not yet been implemented.
Needs Improvement	<ul style="list-style-type: none"> The design of controls only partially addresses key causes and/or consequences. Documentation and/or communication of the controls (e.g. policies, procedures, etc.) are incomplete, unclear or inconsistent. The controls are not operating consistently and/or effectively and have not been implemented in full.
Acceptable	<ul style="list-style-type: none"> The design of controls is largely adequate and effective in addressing key causes and/or consequences. The controls (e.g. policies, procedures, etc.) have been formally documented but not proactively communicated to relevant stakeholders. The controls are largely operating in a satisfactory manner and are providing some level of assurance.
Effective	<ul style="list-style-type: none"> The design of controls is adequate and effective in addressing the key causes and/or consequences. The controls (e.g. policies, procedures, etc.) have been formally documented and proactively communicated to relevant stakeholders. The controls overall, are operating effectively so as to manage the risk.

DET's Risk Rating Matrix: Used to combine consequence with likelihood to determine the overall level of risk.

Risk Rating Matrix		Consequence				
		Insignificant	Minor	Moderate	Major	Severe
Likelihood	Almost Certain	Medium	High	Extreme	Extreme	Extreme
	Likely	Medium	Medium	High	Extreme	Extreme
	Possible	Low	Medium	Medium	High	Extreme
	Unlikely	Low	Low	Medium	Medium	High
	Rare	Low	Low	Low	Medium	Medium

DET's Acceptability Chart: Used to decide whether the risk is acceptable, based on the rating calculated.

Extreme = Unacceptable (must have Executive oversight)	Immediately consider whether the activity associated with this risk should cease. Any decision to continue exposure to this level of risk should be made at Executive Officer level, be subject to the development of detailed treatments, on-going oversight and high level review.
High = Tolerable (with ongoing management review)	Risk should be reduced by developing treatments. It should be subject to on-going review to ensure controls remain effective, and the benefits balance against the risk. Escalation of this risk to senior levels should occur.
Medium = Tolerable (with frequent risk owner review)	Exposure to the risk may continue, provided it has been appropriately assessed and has been managed to as low as reasonably practicable. It should be subject to frequent review to ensure the risk analysis remains valid and the controls effective. Treatments to reduce the risk can be considered.
Low = Acceptable (with periodic review)	Exposure to this risk is acceptable, but is subject to periodic review to ensure it does not increase and current control effectiveness does not vary.