

1. Purpose

GWMWater is committed to managing all risks at strategic, operational and project levels, through the identification, analysis, evaluation, treatment, monitoring and review of risks. This will optimise the ability to minimise potential losses whilst maximising opportunities for GWMWater.

2. Policy

In applying the Risk Management Policy, GWMWater will implement and maintain a risk management system based on the International Standard ISO 31000 (Risk Management) and ISO 9001 (Quality) standards.

The key elements of the risk management system include:

- 2.1 Identification and quantification of all risks potentially impinging upon the strategic, operational and project objectives of GWMWater
- 2.2 Provision of the necessary risk analysis framework to identify the likelihood and consequences of risk
- 2.3 Allocating responsibility and resources to implement and manage a risk management system that ensures effective identification, analysis, communication and treatment of risk
- 2.4 Managing the implementation of cost effective risk treatment plans, performance monitoring and reporting
- 2.5 Developing a risk awareness culture by engaging staff in forums and workshops to ensure that different interests of relevant stakeholders are understood and considered.
- 2.6 Regularly monitoring and reviewing risks and the risk management system periodically
- 2.7 Integrating risk management into quality, OH&S and environmental management systems adopted by the Corporation

3. Related Legislation

- a) Financial Management Compliance Framework
- b) Standing Directions of the Minister for Finance
- c) *Water Act 1989*
- d) *Safe Drinking Water Act 2003*
- e) *Occupational Health and Safety Act 2004*
- f) Statement of Obligations

4. Related Policy and Procedures

- a) [Audit, Governance and Risk Committee Charter](#)
- b) [Corporate Governance Policy](#)
- c) [Internal Audit Policy](#)
- d) [Compliance Policy](#)

5. Expected Outcomes

- 5.1 Documentation, communications, feedback and analytical structures and resources to carry out the total risk management program and each separate phase of the risk management process; and
- 5.2 Organisational, strategic and project risk aware culture to ensure the successful implementation and continuous improvement of the risk management process.

6. Responsibilities

GWMWater Board and Audit, Governance and Risk (AGR) Committee are responsible for overseeing the functioning of the risk management framework to ensure compliance with the approved program and ongoing monitoring of risk.

The Board is responsible for the oversight of Strategic and Very High risks.

The AGR Committee is responsible for assessing GWMWater's compliance with the Victorian Government Risk Management Framework.

The Board Chair is responsible to annually attest in the Corporation's annual report that states '*the Corporation has complied with the Ministerial Standing Direction 4.5.5 – Risk Management Framework and Processes.*'

The Managing Director has day-to-day responsibility for overseeing the implementation of risk management throughout the business and ongoing liaising with the Board and AGR Committee.

The Managing Director, along with the Senior Leadership Team is responsible for the management of all individual risks. The Senior Leadership Team is collectively accountable for all High and Medium risks and individual senior managers are accountable for all Low risks.

The Executive Manager Stakeholder and Governance and the Manager Regulation and Assurance have responsibility for co-ordinating the establishment, implementation and maintenance of the risk management within the business.

Risk performance reports are presented at each Board (monthly) and AGR (3 monthly) meeting.

7. References

- a) Risk Management Plan
- b) Victorian Government Risk Management Framework
- c) Standards:
 - i. International Standard ISO 31000: Risk Management Principles and Guidelines
 - ii. ISO 19600: Compliance Management System - Guidelines
 - iii. AS/NZ 4801: Occupational Health and Safety Management Systems
 - iv. ISO 14001: Environmental Management Systems

v. ISO 9001: Quality Management Systems - Requirements