



## RISK MANAGEMENT POLICY

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Date of initial Board Adoption	24 February 2016
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Date of Audit Committee Endorsement (if applicable)	15 May 2024
Date last reviewed by Eastern Health Authority Board of Management	28 August 2024
Relevant Document Reference	AS ISO 31000:2018 Risk Management – Guidelines <i>Local Government Act 1999</i> Risk Management Framework Work Health Safety and Injury Policy Procurement Policy

### 1. Purpose

The aim of this policy is to provide management with a formalised process for identifying and managing risk in a consistent manner.

This policy provides minimum standards for management of risks within Eastern Health Authority (EHA) and is to be considered within the context of our strategic goals and priorities.

### 2. Scope

This policy applies to all EHA Staff, Board and Committee members in relation to the provision of goods, works and services provided by EHA.

### 3. Definitions

Risk is defined as “The effect of uncertainty on objectives. For EHA, a risk is anything that could prevent EHA from achieving its objectives. Risk may arise from an event, an action or from a lack of action. It is measured in terms of consequences and likelihood”.

Risk Management is described as “the culture, processes and structures directed towards the effective management of potential opportunities and adverse effects”.

### 4. Principles

EHA understands that the effective management of risk:

- is an integral part of sound governance and strategic planning;
- applies across all EHA activities;
- is implemented and integrated into EHA through the creation and continuous improvement of a framework; and
- improves its ability to deliver services on behalf of its Constituent Councils

## 5. Policy

This policy is based on the practices and principles of risk management contained in AS ISO 31000:2018. A Risk Management Framework has been developed in accordance with this Standard, to provide management with a formalised process for identifying and managing risk in a consistent manner.

EHA is committed to effective risk management and this policy seeks to:

- add value to all the activities of EHA;
- assist in achieving EHA's goals and deliver programs and services within a tolerable level of risk;
- embed risk management into all our management activities, critical business systems and processes;
- ensure all risks are consistently assessed and managed within EHA's risk framework
- improve our ability to deliver community priorities, services delivery and outcomes for EHA;
- maximise opportunities and minimise the impact and likelihood of risk;
- protect its employees, assets, liabilities and its community by avoiding or mitigating losses; and
- provide greater certainty for our employees, stakeholders and the community in which we operate by understanding and managing our risks.

## 6. Responsibility

EHA's Board through its Audit Committee has the responsibility to monitor and review all risk management processes. Management has the responsibility for risk management within their program, service or area of responsibility.

## 7. Review

This Policy was adopted by the Board of the Eastern Health Authority on 24 February 2016 and subsequently reviewed and adopted on 28 August 2024.

The policy will be formally reviewed every 48 months or as needed.