RISK MANAGEMENT POLICY AND PROCEDURE

SCOPE

This Policy applies to all staff globally. For guidance, interpretation and training on this Policy, contact the Legal & Governance Team.

CONTEXT

Tourism Australia is accountable to the Australian Government, Australian public and other tourism stakeholders for the spending of public funds. Under the *Public Governance, Performance and Accountability Act 2013*, Tourism Australia must establish and maintain appropriate systems of risk management and oversight. This Policy confirms Tourism Australia's commitment to actively manage risk in order to promote the efficient, effective, economical and ethical use of public resources. This policy is consistent with the *Commonwealth Risk Management Policy*.

PURPOSE

Risk is the effect of uncertainty on objectives and risk management is the adoption of consistent processes within a comprehensive framework to ensure that risk is managed effectively, efficiently and coherently across an organisation.

Tourism Australia recognises that an integral part of planning is understanding the risks which may affect Tourism Australia's ability to achieve its objectives. Accordingly, Tourism Australia is fully committed to regularly identifying, assessing and managing its risks within the spirit of good governance and to increase the likelihood of Tourism Australia meeting its objectives.

Tourism Australia is also committed to ensuring that its employees understand the concept of risk management and how to apply it practically to not only minimise hazard risks, but to also identify opportunity risks (e.g. capitalising on an otherwise unknown opportunity to the disadvantage of a competitor and/or benefit to Tourism Australia). The principles and processes set out in this document will be collectively referred to as the Risk Management Policy.

RISK MANAGEMENT FRAMEWORK

Tourism Australia's risk management practices are based on the *Australian/New Zealand Standard on Risk Management (AS/NZS ISO 31000:2009) ("ISO 31000")* which describes the risk management framework as a set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing, and continually improving risk management throughout the organisation.

At Tourism Australia, the Executive General Manager, Corporate Services is the senior executive responsible for implementing and maintaining the risk management framework at Tourism Australia, with the Managing Director and the Executive Leadership Team (ELT) accountable for risks to their business units and all employees responsible for managing the risks within their spheres of control. Refer to Appendix 3 for detailed roles, responsibilities and accountabilities for managing risk globally across Tourism Australia.

Risks can have an impact on the achievement of objectives at all levels of the organisation. Those risks associated with the high level objectives, strategies and policies — and ultimately the mission of the organisation — are often referred to as *strategic risks*. At the implementation or operations level, risks are often referred to as *project risks* (which could impact on the delivery and success of projects) or *operational risks* (associated with people, systems, and processes). These risks have the potential to impact on the immediate outcomes of business units, individual projects and business systems and processes.

Risk management is integrated into Tourism Australia's operations through the undertaking of:

- A strategic risk assessment as part of the formulation of the Strategic Annual Plan (SAP);
- An operational risk assessment in tandem with annual operational planning (AOP);
- Project risk assessments with the development of project plans;
- Risk profile reporting and review at quarterly business evaluations (QBE);
- Fraud risk assessments every two years;
- Business continuity management risk assessments in line with planning cycles;
- Procurement risk assessments as required under Tourism Australia procurement policy;
- Insurance risk assessments to as required under Tourism Australia's *Contractor and Supplier Insurance Requirements Policy*; and
- Work health and safety risk assessments for events and familiarisation visits as required under Tourism Australia's *Work Health and Safety Policy*.

The risk management framework ensures that risk information derived from these activities is adequately reported and used as a basis for decision-making and accountability across all relevant levels. The framework, including this Policy, is consistent with ISO 31000.

Governance and Reporting

The Board's Audit and Finance Committee will be engaged at a strategic level and will receive periodic reports on material risks (which, for the purposes of Tourism Australia, are risks with 'extreme' criticality ratings) identified through established reporting processes. The Board's Audit and Finance Committee will also receive updates of any changes to the strategic risk profile. The ELT will also be engaged at a strategic level and will contribute to the annual organisation-wide strategic risk assessment; however ELT members will also participate in the identification, assessment and rating of operational risks. The Global Leadership Team (GLT), comprised of the direct reports to ELT members, will also play a role in all levels of risk management.

Risk Statement

Risk appetite is defined as an organisation's approach to assess and eventually pursue, retain, take or turn away from risk. The Board of Directors is responsible for determining the level of risk exposure that is considered acceptable in the

pursuit of Tourism Australia's objectives. Tourism Australia's risk appetite is defined through the risk statements below and the risk tolerances articulated in the risk rating criteria, which are reviewed annually by the Board's Audit and Finance Committee.

Categories	Appetite Statement
Strategic	Tourism Australia will ensure that Tourism 2020 is at the heart of all that we do by aggressively pursuing the short-term and medium-term strategies which will allow us to achieve our 2020 strategic objectives. These objectives are key to supporting growth and competitiveness for the Australian tourism industry, and as Tourism Australia seeks to adopt innovative strategies, our appetite for risks is moderate.
Political	Tourism Australia will ensure that its relationship with the Minister and the department is a priority and will act transparently. We place a place high importance on Ministerial and departmental satisfaction and as such, have a low tolerance for political risk-taking.
Brand and reputation	Tourism Australia is an innovative and adaptive agency, however as our reputation is integral to supporting our mission to encourage domestic and international tourism in Australia, we seek to actively protect our brand through the activities we conduct and our stakeholder relationships. As such, our appetite for risks in this area is moderate and we will manage situations that could have a negative impact on our brand.
Legal and regulatory	As a corporate Commonwealth entity with a global footprint we will seek to meet all mandatory legal and regulatory expectations. Tourism Australia has a low appetite for risks in this category and zero tolerance for identified fraud, collusion, or theft risks.
Financial	Tourism Australia's appetite for financial risk is low. We will ensure that the achievement of value for money underpins our fiscal decisions, as financial risks and rewards will be assessed against both our short and long term strategic and operational priorities.
Operational/ project	Tourism Australia is committed to ensuring our operations are aligned with our strategies, that we exercise diligence in monitoring performance against these objectives, and that we foster an environment of continuous efficiency and control improvement. Tourism Australia has a low appetite for risks arising from inadequately trained staff, failed internal processes, or third-party failures.
Work health and safety	We will provide a safe environment for staff and foster a culture that values continuous learning, collaboration and innovation. As such, Tourism Australia's appetite for risks related to health and safety is low.
Information	Tourism Australia will safeguard its information and be transparent, open and collaborative with stakeholders. We have a low appetite for system failures or information/data security breaches.

RISK MANAGEMENT PROCESS

A *risk management process* is a systematic way of establishing the context in which the agency, business unit or project operates and identifying, analysing, evaluating and treating the risks which may provide uncertainty around its ability to achieve its objectives. A risk management process also provides a structure to ensure that identified risks are continuously monitored and reviewed. The graphic at the right describes the standard process for risk management, as set out in ISO 31000.
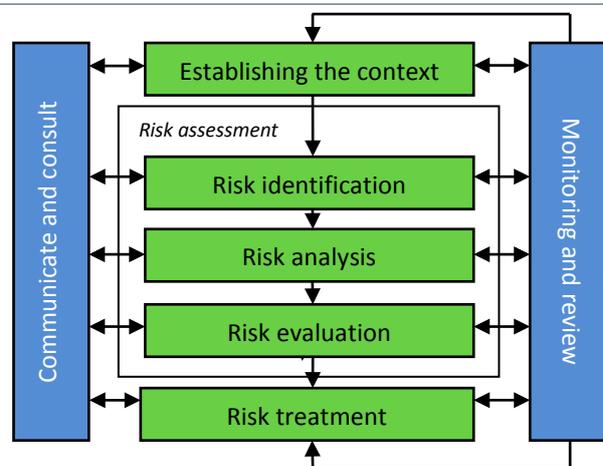
Communicate and Consult

Communication and consultation is a continual activity across all stages of the risk management process to provide, share or obtain information, and to engage in dialogue with internal and external stakeholders (e.g. the department and Tourism Australia's auditors) regarding the management of risk.

Establish the Context

In considering the internal and external context when conducting risk management activities, Tourism Australia employees will give regard to a number of factors. Some key (but not an exhaustive list of) factors for consideration are detailed below.

Legal

The *Tourism Australia Act 2004* sets out Tourism Australia's objects, functions, powers and top-level governance arrangements. As a corporate Commonwealth entity, Tourism Australia must also comply with the *Public Governance, Performance and Accountability Act 2013*, which regulates certain aspects of the financial affairs of corporate Commonwealth entities, their reporting obligations, accountability, banking and investment obligations and the conduct of officers. Tourism Australia is also required to comply with a number of other Australian and foreign laws.

Political

In performing its functions, Tourism Australia must have regard to the needs of the Australian tourism industry and government. Tourism Australia is governed by a Board of Directors whose Chairman reports to a federal minister. Officers (including directors) of Commonwealth authorities are required to exercise their powers and discharge their duties with care and diligence, in good faith, in the best interests of the authority and for a proper purpose. In meeting these obligations, it is expected that the operations of the entity and the actions of its officers will be based on sound risk management.

Strategic Objectives

Tourism Australia works with industry and all levels of government across Australia to maximise the economic contribution of Australia's tourism industry. The industry has set itself a goal to increase overnight tourism expenditure of A$115 billion-A$140 billion in the year 2020. To help achieve this long-term goal, Tourism Australia is focused on a number of short to mid-term objectives. For full details, refer to Tourism Australia's Corporate Plan.

Ministerial Priorities

Tourism Australia is required to action ministerial priorities handed down by its Minister from time to time in the form of a statement of expectations; these expectations are incorporated into Tourism Australia's planning documents accordingly and adherence to them is reported on regularly.

Stakeholders

Excluding employees and consumers, Tourism Australia has four broad categories of key stakeholders: government, channels and influencers, industry participants, and suppliers. Within these groups are a number of sub-categories of stakeholders with unique needs and wants. The following graphic provides a more comprehensive view of Tourism Australia's stakeholder portfolio.

Policy
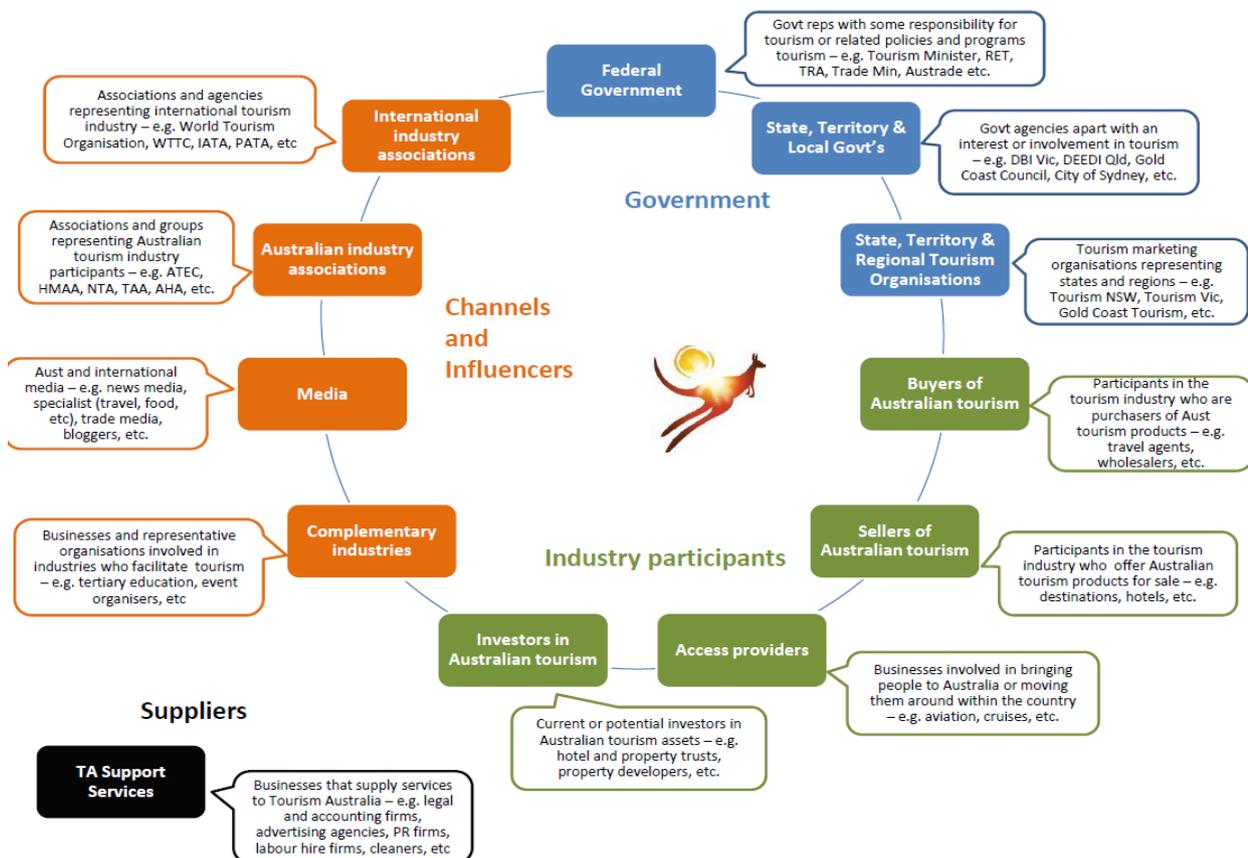
Additional Factors

Additional external factors that may be considered include the domestic and international economic and regulatory context, socio-cultural changes, technological changes, and environmental trends or drivers. Additional internal factors which may be considered include Tourism Australia's organisational structure and capabilities, changes to resources, policies or processes, and understanding stakeholder objectives and priorities.

Risk Identification

There are risks associated with everything we do; doing something, or doing nothing, equally entails a risk of something happening or not happening as a result. The aim of the risk identification step is to identify a comprehensive list of risks based on events that might create, enhance, prevent, degrade, accelerate or delay the achievement of Tourism Australia's objectives, and to document these possible risks in a register.

Risks are not static, rather they are dynamic and their likelihood and consequences can increase or decrease suddenly depending on various factors. For this reason, risk registers should be treated as 'living' documents and reviewed regularly.

Discussion with employees at all levels, reading past corporate plans and reports, holding workshops and reviewing press coverage are just a few examples of risk identification methods. To assist in the clarity, consistency, and comparability of risk discussions and global reporting, Tourism Australia risk information will be captured using the risk register template at Appendix 4.
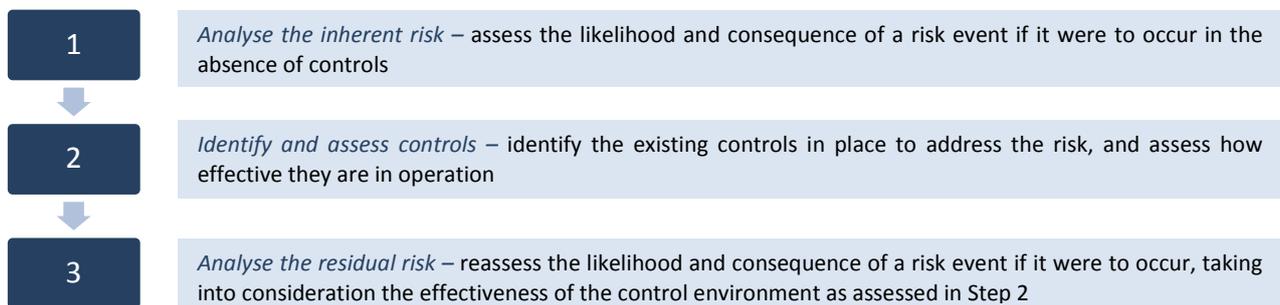
Most of Tourism Australia's risks can be grouped into one of the following categories:

- Strategic risk (e.g. unsuccessful campaign, ineffective partnership or sponsorship)
- Political Risk (e.g. disputes between the Department and Tourism Australia)
- Brand and reputation risk (e.g. negative international media affecting inbound travel, ineffectual stakeholder relations, allegation of employee misconduct)
- Legal and regulatory risk (e.g. compliance or legal breaches)
- Financial risk (e.g. reduced funding, fraud or misappropriation of assets, currency fluctuation)
- Operational risk (e.g. IT equipment breakdown, ineffectual projects, bankruptcy of/business disruption to key partner agency)
- Work health and safety (WHS) risk (e.g. safety incidents in the workplace or at events)
- Information risk (e.g. incomplete or wrong research data, loss or misuse of intellectual property)

For a comprehensive, up-to-date list of Tourism Australia's risks, refer to the Legal & Governance Risk Register.

Risk Analysis

Risk analysis involves consideration of the causes and sources of risk, their positive and negative consequences, and the likelihood that those consequences can occur. Controls represent any process, policy, device, practice or other actions taken by management which reduce the likelihood of a risk occurring or the potential damage arising from the risk. The risk analysis process involves the assignment of an overall residual risk rating for each risk documented in the risk register through the following three steps.

1	*Analyse the inherent risk* – assess the likelihood and consequence of a risk event if it were to occur in the absence of controls
2	*Identify and assess controls* – identify the existing controls in place to address the risk, and assess how effective they are in operation
3	*Analyse the residual risk* – reassess the likelihood and consequence of a risk event if it were to occur, taking into consideration the effectiveness of the control environment as assessed in Step 2

To support employees in the analysis, assessment and evaluation of risk, Tourism Australia has adopted standardised criteria and rating scales to be applied across all risk management activities and business areas. These criteria and rating scales and their application to the three risk assessment steps outlined above, have been detailed in the sections following.

Step 1: Analyse the Inherent Risk

For each risk identified in the risk register, the likelihood of the risk occurring in the absence of controls should be assessed. *Likelihood* refers to the chance of something happening. The Tourism Australia risk likelihood criteria are outlined in the following table.

Probability Scale	Guiding Measure	Guiding Frequency
1. Rare	There is a 5% chance that the risk will occur	Will occur every 10 years and upwards
2. Unlikely	There is a 20% chance that the risk will occur	Will occur every 5 to 10 years
3. Possible	There is a 50% chance that the risk will occur	Will occur every 2 to 5 years
4. Likely	There is a 75% chance that the risk will occur	Will occur in the next 12-24 months
5. Almost certain	There is a 95% chance that the risk will occur	Will occur on a regular basis

For each risk identified in the risk register, the consequence of the risk occurring in the absence of controls should also be assessed using the Consequence Criteria at Appendix 1. *Consequence* refers to the outcome of an event affecting objectives. This should be quantified based on the most credible (not the worst case) impact of the risk. The Consequence Criteria provides guidance on the indicative consequence for risks and has been developed with consideration to the Tourism Australia risk appetite statements on page 3.

Once a risk likelihood and consequence assessment has been made for each risk in the risk register, the inherent risk rating is then determined by combining the likelihood and indicative consequence level of the risk as per the following matrix.

Likelihood	Consequence				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	Medium	Medium	High	Extreme	Extreme
Likely	Medium	Medium	High	Extreme	Extreme
Possible	Low	Medium	Medium	High	Extreme
Unlikely	Low	Low	Medium	High	Extreme
Rare	Low	Low	Low	Medium	High

Step 2: Identify and Assess Controls

A *control* is any process, policy, device, practice, or other actions that modify risk. There may be existing controls in place to prevent, detect and mitigate the identified risks. Preventative controls aim to reduce the likelihood of the risk occurring whilst mitigating controls aim to lessen the adverse impacts of risk that do occur. For each risk identified within the risk register:

- A control description for each relevant control should be detailed that succinctly describes the action used to modify the likelihood or the consequence of the risk. It should also clearly identify the personnel involved in performing the control activity; and
- An assessment of the control's current operating effectiveness should be determined using the criteria below.

There are three levels of control effectiveness to be considered:

Control Effectiveness	Description
1. Ineffective	The control design does not meet the control objective and / or the control is not applied or is applied incorrectly
2. Partially effective	The control design meets the control objective and the control is normally operational but occasionally is not applied when it should be, or not as intended
3. Effective	The control design meets the control objective and the control is operating the majority of the time

Step 3: Analyse the Residual Risk

Once the inherent risk and the effectiveness of relevant controls have been considered, the residual risk can be assessed. The residual risk will be determined by following a similar process to analysing the inherent risk (in Step 1) however, the likelihood and consequence will be reassessed based on the effectiveness of the current controls as assessed in Step 2.

Risk Evaluation

The purpose of risk evaluation is to assist in making decisions based on the outcomes of risk analysis, about the risks that need treatment, and the implementation priority for these treatments. Tourism Australia has adopted the following matrix to guide the communication escalation and risk management actions required for risks based on their

overall risk rating (as determined in Step 3). However, this matrix is purposely broad and may be added to or amended where appropriate.

Residual Rating	Required Action
Extreme	• Immediate attention of Managing Director • Treatments prepared by Risk Owner for Managing Director approval • Board to be informed as appropriate
High	• Immediate attention of ELT Member • Treatments prepared by Risk Owner for ELT Member approval
Medium	• Immediate attention of Manager • Treatments prepared by Risk Owner for Manager approval • ELT Member to be informed at next meeting
Low	• Risk to be managed through routine business-as-usual processes to support ongoing monitoring in case the risk profile changes

Risk Treatment

Risk treatment involves selecting one or more options for modifying risks and implementing those options; once implemented, treatments provide or modify the controls. Generally, there are a number of options when treating a risk:

- Avoid the risk (e.g. avoid the activity/partnership/sponsorship altogether);
- Reduce the risk (e.g. reduce either the likelihood or consequence of the risk, thereby reducing the overall criticality rating);
- Share the risk (e.g. obtain a specialised insurance premium, additional contract clause); or
- Retain or accept the risk.

As a range of options may be available to treat a risk, efficiency of treatment and reduction of the overall cost of the risk is an important consideration. Employees should consider what approaches are available to treat the risk, the cost-benefit ratio for each viable treatment, and how such treatments will be implemented. Where a treatment is not able to be applied to a risk, advice from the Legal & Governance team should be sought.

For each risk identified in the risk register:

- The agreed treatment should be stated (where required) or no treatment required noted; and
- A commitment from management (and other stakeholders where required) should be obtained against a realistic implementation review/target date.

Monitor and Review

Treatment owners are responsible for regularly monitoring and reporting the progress of treatment implementation to relevant stakeholders, and for directing the risk champion to document this status in the Legal & Governance Risk Register. For each risk in the risk register that will have a treatment plan prepared:

- The status of the treatment should be updated (open-in progress/closed/on hold);
- The date that the status was last updated/reviewed should be stated.

Where treatments are implemented or a risk profile has changed, the treatment owner should advise their risk champion (if different) and the risk's likelihood, consequence, and criticality rating should be re-evaluated. Risk champions should then update the risk register.

Appendix 2 sets out the standard timetables for identifying, assessing and monitoring risks at Tourism Australia. It is intended to serve as a generic foundation that can, and should, be added to depending on frequencies set out in treatments.

CONTINUAL IMPROVEMENT OF THE FRAMEWORK

Tourism Australia is committed to an annual review of its risk management framework to ensure that risk management is effective and continues to support organisational performance. Tourism Australia will also continue to complete the annual Comcover Benchmarking Survey which will assist in benchmarking organisational maturity in risk management.

The Audit and Finance Committee will monitor and evaluate Tourism Australia's performance in relation to risk management. This will be informed by periodic reviews facilitated by the Executive General Manager, Corporate Services covering:

- Evaluation of the effectiveness and alignment of this Risk Management Policy and Procedure (e.g. against contemporary better practice or other corporate Commonwealth entities);
- Assessment of the awareness of staff in relation to their risk management responsibilities (e.g. through staff surveys);
- Review of evolving training and development needs of managers and staff in relation to their risk management responsibilities;
- Review of the completeness and currency of strategic, operational and relevant project risk registers; and
- Consideration of additional framework components as required.

The results of reviews will be used to inform decisions relating to how the framework, policy and operational procedures can be improved to support the management of risk and an improved risk management culture across Tourism Australia.

REVIEW AND APPROVAL

This Policy will be reviewed every two years, or more frequently as required, in line with Tourism Australia's Policy Management Framework.

RELATED LEGISLATION AND STANDARDS

- *Australian / New Zealand Standard ISO 31000:2009 – Risk management - Principles and guidelines*
- *Tourism Australia Act 2004*
- *Public Governance, Performance and Accountability Act 2013*
  - *Commonwealth Risk Management Policy*
  - *Commonwealth Procurement Rule*

APPENDIX 1: CONSEQUENCE CRITERIA

Consequence criteria	1. Insignificant	2. Minor	3. Moderate	4. Major	5. Catastrophic
Strategic	• No impact on the achievement of strategic objectives or the existence of TA • Achievement of between A$115bn-A$140bn towards the Tourism 2020 goal	• Minor impact on the achievement of strategic objectives and does not threaten the existence of TA • Achievement of only A$100bn-A$115bn towards the Tourism 2020 goal	• Moderate impact on the achievement of strategic objectives but can be managed in the medium term without major impact on the viability of TA • Achievement of only A$85bn-A$100bn towards the Tourism 2020 goal	• Significant impact on the achievement of strategic objectives and will require major effort to manage and resolve in the medium term to avoid major impact on the viability of TA • Achievement of only A$70bn-A$85bn towards the Tourism 2020 goal	• Negative outcomes from risks or lost opportunities which if not resolved will result in strategic objectives not being achieved and failure of TA • Achievement of below A$70bn towards the Tourism 2020 goal
Brand and reputation	• Negative publicity, media or complaints that will not adversely impact stakeholder and/or consumer behaviour • Minor incidents or issues with TA campaign or program development or roll-out with manageable impacts	• Negative publicity, media or complaints that heightens stakeholder and/or consumer concerns but does not have a widespread or significant impact on their behaviour • TA campaign or program criticised by stakeholder/s (not in public forums) for being ineffective	• Negative publicity, media or complaints that heightens stakeholder and/or consumer concerns and results in a perceptible change in their behaviour • Sentiment suspected to be growing in key market/s that Australia fails to live up to a core brand promise (e.g. Australia is safe and secure) • TA campaign or program openly criticised by stakeholder/s (in public forums) for being ineffective	• Negative publicity, media or complaints that results in sustained impacts on stakeholder and/or consumer behaviour • Sentiment held by one key market that Australia fails to live up to a core brand promise (e.g. Australia is safe and secure) • TA struggles to demonstrate brand value to one key market	• Negative publicity, media or complaints that results in irrevocable and long term damage to Brand Australia's and/or TA's reputation • Sentiment held by more than one key market that Australia fails to live up to a core brand promise (e.g. Australia is safe and secure)
Political	• Limited amount of Ministerial interest on a particular matter • Minimal interest at a political level or by the Senate Committee on Foreign Affairs, Defence and Trade Legislation	• Successive requests for Ministerial briefings on a particular matter • Recurring questions/ interest by the Senate Committee but no overt criticism of TA's activities	• Repeated and increasingly detailed requests for Ministerial briefings on a particular matter • Recurring debate and/or criticism at a parliamentary level	• Public criticism of TA by Minister, government or other major stakeholder groups	• Parliamentary inquiry related to TA's activities
Legal and regulatory	• Legal issues/ lawsuit costing <A$30k • BIR from Australian National Audit Office (ANAO)	• Legal issues/lawsuit costing A$30k-A$100k • Category L3 finding from ANAO	• Legal issues /lawsuit costing A$100k-A$500k • Category L2 finding from ANAO	• Legal issues /lawsuit costing A$500K-A$2m • Prosecution of an officer or Director of TA • Category L1 finding from ANAO	• Legal issues /lawsuit costing A$2m + • Prosecution of multiple officers or Directors of TA • Multiple Category L1 findings from ANAO
Financial [1]	• Net loss of <A$50k • BIR from ANAO	• Net loss between A$50k-A$250k • Category C finding from ANAO	• Net loss between A$250k-A$1m • Category B finding from ANAO	• Net loss between A$1m-A$2m • Category A finding from ANAO	• Net loss of A$2m + • Multiple Category A findings from ANAO

Operational/ Project	• Minor delays or interruptions to operations (less than 7 days) • Limited impact on staff and/or partners • Skills and knowledge required to perform the role are broad and widely available, replacements/ successors identified; minimal disruption to business operations if the employee leaves; role can be redesigned or reallocated to others	• A loss or interruption to operations with short term impacts (less than 3 weeks) on progress • Staff and/or partners are impacted in the short term in one or more region	• A loss or interruption to operations causing medium term impacts (1 month +) on progress • Staff and/or partners are impacted in the medium term (months) in one or more region • Specialist skills required and are not immediately available; successors are sourced externally; significant training required for successor to perform effectively; significant impact on business outcomes if the employee leaves; role cannot easily be redesigned or redistributed to another employee	• A loss or interruption to operations with significant impact on progress over an extended period (6 months+) • Staff and/or partners are impacted over an extended period in one or more region	• A catastrophic loss or interruption to operations requiring long term solutions to resolve • Staff and/or partners in one or more region are permanently affected • Skills are highly specialist in nature; it is difficult to source successors from the external labour market; extensive training period (6 months +) required for successor to perform the role effectively; negative immediate impact to business are likely to occur if the employee leaves; role cannot effectively be redesigned or redistributed to be completed by other employees
Work Health and Safety	• No injury or illness reported, minor disruption to work duties	• First aid attention needed (minor injuries that require first aid or treatment by a trained officer or self–administered treatment e.g. band-aids, aspirin) for an employee/ TA guest	• Medical attention required and several days off work (means treatment is required onsite by first aid officer with follow up treatment by a paramedic, ambulance officer or doctor of an employee/ TA guest • May require further examination at a hospital or medical clinic	• Long-term illness or serious injury (means hospitalisation for more than 24 hours) of an employee/ TA guest	• Death or permanent disability/ill health of an employee/ TA guest

[1] Tourism Australia's audit materiality threshold is A$10 million and its tolerable error threshold is A$500,000. The following table sets out the ANAO's criticality scale for audit findings.

Category	Description
Category A:	Issues that pose a significant business or financial management risk to the entity; these include issues that could result in the material misstatement of the entity's financial statements.
Category B:	Issues that pose moderate business or financial management risk to the entity; these may include prior year issues that have not been satisfactorily addressed.
Category C:	Issues that pose a low business or financial management risk to the entity; these may include accounting issues that, if not addressed, could pose a moderate risk in the future.
Category L1:	Instances of non-compliance with: *The Constitution*; the entity's enabling legislation; legislation that the entity is responsible for administering; and the Public Governance, Performance and Accountability Act.
Category L2:	Instances of non-compliance with other legislation the entity is required to comply with.
Category L3:	Instances of non-compliance with subordinate legislation, such as Commonwealth rules.

APPENDIX 2: TIMETABLE FOR IDENTIFYING, ASSESSING AND MONITORING RISKS

Assessment Activity	Timeframe
Strategic Assessment	**Annually** A strategic risk identification and assessment process will be undertaken for inclusion in the following year's Strategic Annual Plan. Risks will be monitored thereafter on a quarterly basis, or more frequently if so required by a corresponding treatment action.
Operational	**Annually** An operational risk identification and assessment process will be undertaken by business groups and regional offices. Risks will be monitored thereafter on a quarterly basis, or more frequently if so required by a corresponding treatment action.
Project	**As arising** A basic risk assessment will be required for all Project Plans. Where there are any high or extreme risk ratings arising from the basic assessment, or where a project has been deemed a 'priority project' by the ELT, a comprehensive project risk assessment will be required. Risks will be monitored thereafter at QBE.
Specialty	**Ad-hoc or in accordance with established planning cycles** • Fraud risk assessments will be undertaken every two years • Business continuity management risk assessments will be undertaken in line with planning cycles • Procurement risk assessments will be undertaken as required under Tourism Australia *Procurement Policy* • Insurance risk assessments will be undertaken as required by Tourism Australia's *Contractor and Supplier Insurance Requirements Policy* • Work health and safety risk assessments will be undertaken as required by Tourism Australia's *Work Health and Safety Policy*
QBE review cycles	Quarterly Business Evaluation meetings will be used to review any changes to risk ratings; if new risks are identified they will be assessed at this time.

APPENDIX 3: ROLES AND RESPONSIBILITIES

Role	Ongoing Accountability/Responsibility
Board members (Accountable authority)	• Approve significant changes to this Policy • Adopt or reject recommendations from the organisation to retain or accept an extreme risk • Lead by example; embrace and exhibit the principles of risk management
Audit and Finance Committee	• Review TA's Risk Statement (RS) on an annual basis, ensuring that the RS communicates the Board's vision in practicable terms, including set limits and tolerances on risk-taking • Ensure that the RS is widely communicated and that risk management training is delivered • Perform other risk management duties as per Committee Charter
Executive General Manager, Corporate Services/Board Secretary	• Sustain senior management support and drive TA towards the desired risk management future state • Report to Audit and Finance Committee on risk management activities • Document risk management action items for ELT meetings, and submit a request for any related outstanding action items to ELT members for population in the current action items list
Managing Director & ELT members	• Foster a culture of value-for-money and continuous improvement, including effective risk management • Adopt or reject recommendations from the organisation to retain or accept a risk • Encourage compliance with this Policy and support their teams by participating in risk assessments where appropriate
Legal & Governance Team	• Support ELT risk champion by assisting in reviewing the quality of risk information provided by the organisation • Update policies and procedures as required • Coordinate strategic risk management activities and Board reporting • Develop and maintain training materials, and deliver training to the organisation • Ensure that identified risks treatments are assigned to risk owners, and that a process for periodic review and monitoring (e.g. fortnightly, monthly) is clearly communicated • Organise risk workshops as required
Heads of Business Units/ regional offices	• Support the implementation and integration of risk management activities across TA • Input or delegate a team member to input their team's risk information located in the Legal & Governance Risk Register • Include discussion of risks and issues as a standing agenda item at existing functional/regional meetings • Participate in risk workshops, assessments and planning
Risk and treatment owners	• Periodically review risk ratings and risk treatments • Ensure the implementation of assigned risk treatments/action items in accordance with timetables • Cooperate with requests for up-to-date risk data for inclusion in the Legal & Governance Risk Register • Participate in risk workshops, assessments and planning as requested
All employees	• Manage risks within their spheres of control in accordance with this Policy • Seek advice from the Legal & Governance team if unsure how to apply this Policy • Attend training sessions where requested
Internal audit	• Review the effectiveness of internal controls through an agreed annual program of key business process reviews and monitoring of the rectification of any deficiencies identified
External audit	• Provide an opinion on the truth and fairness of the annual financial report, which may incorporate an assessment of the management of risk and key internal control systems

APPENDIX 4: RISK REGISTER TEMPLATE

#	Risk Description	Cause/s	Consequence/s	Inherent Risk			Controls	Control Effectiveness	Residual Risk			Treatment Action and Target Date	Risk Owner
				Likelihood	Consequence	Rating			Likelihood	Consequence	Rating		
1													
2													
3													
4													
5													
6													
7													
8													

Risk Register Template