

ACT GOVERNMENT

HEALTH AND COMMUNITY SERVICES DIRECTORATE

Enterprise Risk Management Framework (ERMF)



Accessibility

If you have difficulty reading a standard printed document and would like an alternative format, please phone 13 22 81.



If English is not your first language and you need the Translating and Interpreting Service (TIS), please call 13 14 50.

For further accessibility information, visit: www.act.gov.au/accessibility

www.act.gov.au/health | Phone: 132281

© Australian Capital Territory, Canberra 2025



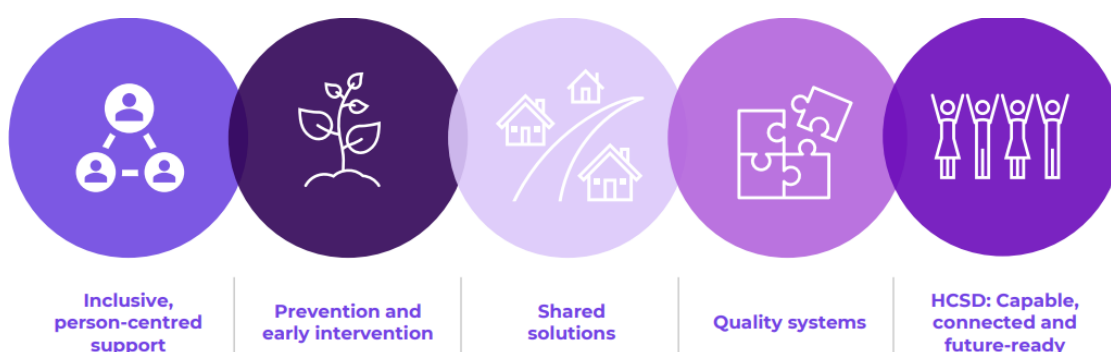
Table of Contents

1. BACKGROUND.....	3
2. ENTERPRISE RISK MANAGEMENT.....	4
2.1. Why we manage risks?.....	4
2.2. What?.....	4
2.3. How?.....	4
3. PRINCIPLES OF THE FRAMEWORK	5
4. ENTERPRISE RISK MANAGEMENT GOVERNANCE	6
4.1. Roles and Responsibilities	6
5. RISK REGISTERS.....	9
5.1. Risk Register Reviews	9
5.2. Categorisation of Risks	10
6. RISK MANAGEMENT TRAINING.....	10
7. ORGANISATIONAL RISK DEEP-DIVES	11
Acronyms	12
Supporting Resources	12
Review Date.....	12
Version Control	12

1. BACKGROUND

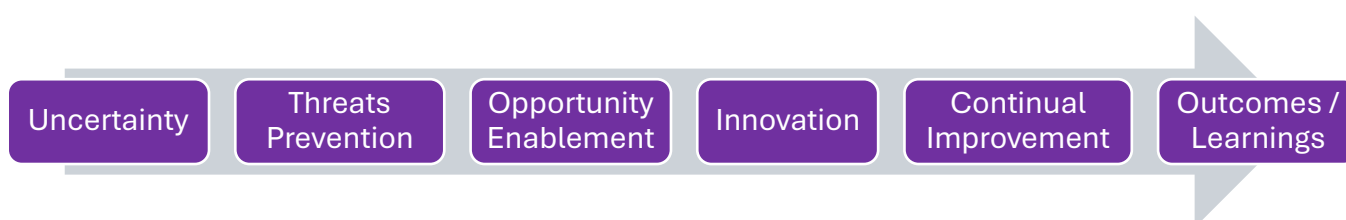
Health and Community Services Directorate (HCSD) operates in a complex environment of uncertainties that arise from internal and external factors. It is vital for HCSD to proactively respond to material risks impacting our delivery of services. The Enterprise Risk Management Framework (ERMF) is aimed to establish a method to help facilitate informed and timely actions by decision-makers.

The ERMF endeavours to contribute to achieving HCSD's pursuit towards – Quality care, healthier lives, stronger communities.



HCSD Strategic Framework and Priorities

HCSD Executives continue their commitment to embed best practice across operations to effectively, efficiently and adequately manage risks or uncertainties. HCSD's risk maturity goal as below is for a risk-based thinking process that balances risks and derives advantage from pragmatic opportunities for better outcomes. Promoting a positive risk-aware culture and improving service delivery processes is also important.

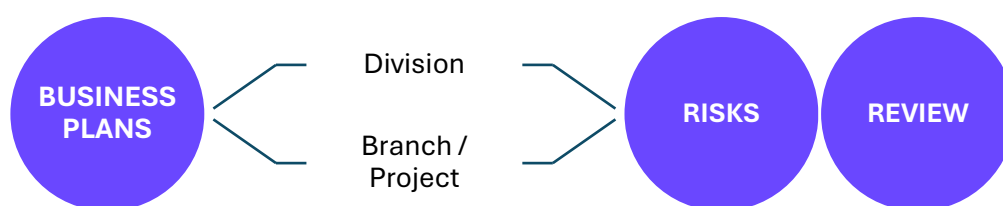


The Enterprise Risk Management Team (ERMT) within the Governance, Assurance and Risk Branch (GAR) facilitates risk management activities and provides reports to the Audit and Risk Management Committee (ARMC), Executive Board and Subcommittees.

2. ENTERPRISE RISK MANAGEMENT

2.1. Why we manage risks?

The International Standard on Risk Management (ISO 31000:2018) defines risk as ‘the effect of uncertainty on objectives’. Proactively managing risks supports HCSD to pursue new opportunities based on the understanding of our risk landscape. ERMF facilitates continuous improvement by linking business plans and performance reporting with identified risks for informed decision-making.



2.2. What?

The ERMF has been developed to ensure HCSD has:

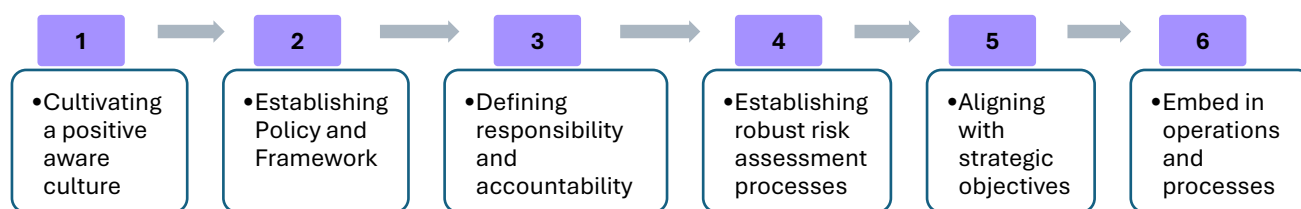
- policies and procedures in place to support staff in confidently accessing and applying the risk principles;
- adequate tools and training available to consistently apply better practices;
- information resources to help staff understand what constitutes risk management;
- guidance for staff on risk management responsibilities regardless of their level, role, experience, or knowledge;
- clearly articulated and communicated responsibilities to staff; and
- proactive risk management for efficiency, effectiveness and safer work environment.

2.3. How?

The ERMF takes a planned, staged, and evolutionary approach aimed to:

- embed risk management and thinking into routine decision-making processes;
- identify, monitor, and adequately treat risks in a timely way;
- understand risks as providing opportunities for improvements; and
- maintain a focus on risk for reward and values optimisation.

3. PRINCIPLES OF THE FRAMEWORK



ERMF's Value optimisation principles

Integrated

Risks are assessed and reported periodically to prevent severity of impact. Business teams conduct horizon scanning to identify emerging and evolving risks. This integrated approach helps inform leaders, improve process, and foster awareness across HCSD.

Structured and Holistic

Mitigations and treatments are deliberated by relevant Committee for risk owner action.

Customised

An aggregated risk profile across 3 levels:
1. Organisational 2. Divisional 3. Branch
EGM/ EBM discretion to scope Section or Project for risk assessment.

Inclusive

ERMF fosters stakeholder participation to utilise wider knowledge and perspectives across HCSD. Risk Champions help achieve procedural actions and supports as a 'Quality Review' layer to cultivate awareness and facilitate improvements. Governance forums consider critical, shared or material risks to achieve consensus on remediation actions. ERMT in consultation with EGM/ EBM escalates risks to appropriate forum.

Factors: Human & Cultural

Effective risk prevention is achieved with staff involvement, knowing risks and safeguards relevant to their roles. HCSD's risk process provides human acumen and value to help achieve goals while allowing Executives and teams to make timely and informed choices.

Available information

SharePoint site for risk register for easy access and data linked with PowerBI to produce meaningful reports. Dashboards refreshed daily for availability of insights.

Dynamic

ERMF is developed to adapt with changing business setting and risk landscape. This is managed through aligning risks with business plans. Risk registers reviewed regularly by teams to validate accuracy and relevance of recorded risks.

Continual Improvement

Stronger alignment and integration of business plans and risk management is one of the goals. Other improvements anticipated include continued compliance with ACT-RMP; PowerBI Dashboard utilisation to identify risks and reporting; considering audit observations to risk analysis; developing risk indicators; and controls effectiveness evaluation.

4. ENTERPRISE RISK MANAGEMENT GOVERNANCE

The ERMF introduces and establishes a governance structure for transparency and proactive risk management. Ultimate responsibility for HCSD's risk management rests with Director-General (DG) under the *ACT Financial Management Act, 1996*. The *ACT Government Risk Management Policy 2021 (ACT-RMP)* requires the DG to report on risk management activities and practices annually.

HCSD's approach is to:

- (a) maintain appropriate systems of risk oversight;
- (b) validate effectiveness of internal controls as much as possible; and
- (c) support business units to comply with risk related regulatory and policy obligations.

4.1. Roles and Responsibilities

The Director-General

- Ensuring the effective management of risk across the Directorate (supported by Deputy Directors-General and the Executive Group Managers).
- Reporting on the organisation's risk profile as appropriate in the annual report and as required by governing authorities (e.g. The Ministers Office; ACT Legislative Assembly; and the Auditor General).

The Deputy Directors-General

- Promote risk management principles;
- Embed risk management activities into all critical business activities, processes, and systems; and
- ensuring staff have tools, training and resources in order to manage risk consistently and effectively.

Executive Board and Subcommittees

- Governing the implementation of the organisational level ERMF including periodic reviews;
- Assessing, monitoring and reviewing identified, emerging and key risks;
- Periodic review of the Organisational Risk Register; and
- Overseeing the implementation of risk treatment strategies.

Audit and Risk Management Committee (ARMC)

Responsibilities regarding risk management are detailed in the Charter and include providing independent advice on whether:

- HCSD has a sound enterprise risk management process for effective identification and management of business and financial risks, including those associated with individual projects and program implementation activities, business continuity management planning arrangements, legal and compliance risks; and
- processes for developing and implementing the HCSD's fraud control and corruption prevention plan are sound and that the directorate has appropriate processes and systems in place to detect, capture and effectively respond to fraud and corruption risks including reporting from the Senior Executive Responsible for Business Integrity Risk (SERBIR).

Divisional Executive Group Managers and Executive Branch Managers

- Managing risk within their span of control;
- Assisting in identification of global or broadly-based risks that could impact on the Directorate as a whole, including risk treatment strategies in Organisational, Divisional, Branch and Project plans;
- Reporting on risk matters to the Executive Board;
- Defining and determining escalation of risks through relevant delegate hierarchy and / or Committee in consultation with the ERMT;
- Raising awareness and organising risk management training within their Groups;
- Integrating risk management into divisional processes and plans as applicable;
- Selecting and appointing risk champions with relevant skillset for the division;
- Promoting the application of risk management by contractors; and
- Be familiar with and competent in the application of the ERMF.

Managers and Supervisors

- Managing risk in their span of control and escalate to EGM/EBM as needed;
- Applying the ERMF when undertaking risk assessments (including the risk register and treatment plan template and other tools) to assist in managing risk;
- Supporting staff in assessing risk and identifying risk owners;
- Consider ERMF and other risk policies like Fraud and Corruption Control Plan, Protective Services Framework etc. prior to conducting risk assessments;
- Ensuring that risk registers for which they are responsible are maintained, reviewed and updated where appropriate, and that relevant changes that may affect the Organisational Risk Register are communicated to the ERMT;
- Recognising, communicating and responding to emerging or changing risks; and
- Assisting with the identification of risks that could impact HCSD as a whole based on defined criteria documented by the divisional leadership.

Staff

- Engaging actively with the risk management activities;
- Communicating and informing colleagues, managers and supervisors of changes to current risks, or new and emerging risks; and
- Contributing to the process of developing risk assessments for their section or business group.

Enterprise Risk Management Team (ERMT)

- Lead implementation of risk ERMF and process;
- Develop and embed comprehensive ERM capability;
- Maintain Registers and report on treatments, changes to risk profiles;
- Review updates to the SharePoint risk register by divisional teams in consultation with relevant stakeholders;
- Identify Extreme rated risks that require remediation treatment and support change management;
- Introduce and promote best practice by fostering risk-aware culture and training;
- Provide access to risk management tools and templates;
- Regular reporting to stakeholders and assist in the escalation processes; and
- Provide quality assurance on recorded risks by divisions.

Risk Champions

- Lead and facilitate risk workshops for divisions, branches, and sections;
- Update the risks as per the agreed timelines;
- Monitoring risks for movements and appropriately escalate to executives; and
- Collaborate with ERMT to ensure the central risk registers are current.

5. RISK REGISTERS

The Executive Board will review the Organisational Risks as part of the regular scheduled risk deep-dives, or in case of material changes. This review will help inform the inter-dependencies between risks and also provide an opportunity to identify remediation actions (refer section 7. The ARMC would also provide advice on HCSD's risk management processes in place.

HCSD's aggregated risk view is implemented at the Organisational, Divisional and Branch levels. The SharePoint Risk Register is implemented to facilitate recording and aggregating the risks across HCSD. The divisional executives may decide to extend the scope of risk assessments to sections/ sub-units or as part of project governance requirements. ERMT should be consulted to ensure the risk register type and scope of risk assessments is defined at an appropriate level.

The ERMT should be consulted by responsible executives if risk profiles change significantly. The ERMT will advise on escalating risks to the relevant Organisational Committees or stakeholders. Projects may have ad-hoc templates or governance process requirements which should be consulted with and supported by the ERMT to implement.

5.1. Risk Register Reviews

Risk registers are expected to be reviewed, at a minimum, every six (6) months or in case of material changes to assist in identifying the key risks together with controls and opportunities. HCSD Executives are responsible for managing and maintaining risks in relation to their team functions and the associated risks.

All divisions and business units should consult with the ERMT where there are systems or processes that do not align with the ERMF. In circumstances where Divisions record deviations from the ERMF, consultation with the ERMT is required to ensure the deviation is required to reflect the divisional circumstances and appropriately captured.

Divisions are expected to establish and develop Risk Champion roles. This will allow for consistent engagement with divisional areas. This role will be responsible for maintaining and administering risk registers for each division. HCSD Executives should ensure risk registers are reviewed and aligned with Divisional Business Plans. Risk Champions will be the facilitators for these reviews and consider new risks and opportunities.

Divisions will update risk registers in response to any changes that occur like process changes, emerging risks identified, responses to audit, inquiry or Ministerial action.

5.2. Categorisation of Risks

When developing a risk register each risk must be aligned with one of the following categories:

1. Assets and Infrastructure	6. Financial	11. Project
2. Business Operations	7. Fraud	12. Reputation
3. Clinical	8. Governance	13. Stakeholder Management
4. Compliance/ Regulation	9. Information and Records Management	14. Technology
5. Delivery	10. People	15. Workplace Health and Safety

6. RISK MANAGEMENT TRAINING

Standard training is designed for HCSD staff by the ACT Insurance Authority (ACTIA). The training provides basic education on risk concepts the participant can apply to their role. The courses available and delivered by ACTIA are:



7. ORGANISATIONAL RISK DEEP-DIVES

Committee	Executive Board
Risk selection	Organisational Risks scheduled for evaluation as per endorsed roster
Occurrence	Monthly (Agenda item on Executive Board)
Process flow	



ROLES & RESPONSIBILITIES FOR THE DEEP-DIVES	
	The ERMT will prepare, schedule and facilitate a roster for the risk deep dives in consultation with the Executive Board. The ERMT will proactively engage with the responsible executive to ensure the risk remains current and relevant.
	The ERMT will assist divisions and responsible executive to prepare for the deep dive. This could include information on the controls that may require change and updates on previously decided treatment actions.
	Executive Board shall endorse the roster of risk deep-dives and participate in discussions on organisational risks that the Board has oversight of.
	The ERMT as directed by the Executive Board shall coordinate on seeking necessary approvals on changes to the details of the risk. These will be endorsed by the responsible executives prior to reporting to the Executive Board.
	The ERMT will subsequently amend the record entry in SharePoint based on the approvals and circulate updates in the next appropriate Executive Board meeting.

Acronyms

HCSD	ACT Health and Community Services Directorate
ERMF	Enterprise Risk Management Framework
ERM	Enterprise Risk Management
ERMT	Enterprise Risk Management team
GAR	Governance, Assurance and Risk branch
ARMC	Audit and Risk Management Committee
ACT-RMP	ACT Government Risk Management Policy 2021

Supporting Resources

- ACT Government Risk Management Policy 2021
- ACT Health Directorate Strategic Plan
- ISO 31000:2018 Risk Management Guidelines
- Commonwealth Risk Management Policy 2022

Review Date

The next review of this document is due by 30 June 2027.

Document number	HCSDPD-03:2026
Effective date	06 August 2026
Author	Governance, Assurance and Risk branch

Version Control

Version	Date	Comments
1.0	08 July 2026	Endorsed by the Operational Performance Subcommittee
1.0	06 August 2026	Approved by the Executive Board