PENINSULA CITY CHURCH

Policy Title: Risk Management Policy
Approval Date: 10th November 2025
Next Review Date: November 2027
Approved By: Peninsula City Church Board
Responsible Officer: Board Chair
Version Control: v2.0

Related Documents:

- Fraud Prevention, Crisis Response, WHS Policy

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1. Purpose

Peninsula City Church will endeavour to minimise the risk any operation poses to our organisation, our staff, our volunteers, our congregation, or the public.

Risk management is integral to fulfilling our charitable purpose, ensuring the safety and wellbeing of all stakeholders, and maintaining compliance with the ACNC Governance Standards and External Conduct Standards. This policy reflects our commitment to a proactive, systematic approach in identifying, assessing, and mitigating risks in alignment with our values.

The purpose of this document is to identify applicable risks and to enable risk management procedures to be satisfactorily identified, organised, and maintained. It aims to provide a clear framework for assessing and mitigating risks, ensuring a safe environment for all stakeholders, protecting organisational assets, and fostering trust within the community.

2. Scope

This policy applies to Elders, Board Members, staff, volunteers, contractors, and third-party partners involved in Peninsula City Church's operations, including activities conducted on-site, off-site, or online. It encompasses risks associated with domestic and overseas programs, ensuring compliance with ACNC and External Conduct Standards.

3. Definitions

“Risk” is the probability that an occasion will arise that presents a danger to our organisation, our staff, our volunteers, our congregation, or the general public. It includes, but is not limited to:

- Physical hazards (e.g., unsafe facilities, injuries during events, or accidents involving volunteers or congregants)
- Financial hazards (e.g., fraud, misappropriation of funds, or financial mismanagement)
- Reputational hazards (e.g., negative publicity from governance failures, bullying, or misconduct)
- Legal hazards (e.g., non-compliance with ACNC standards, employment laws, or privacy obligations)
- Psychosocial hazards (e.g., workplace bullying, harassment, or stress affecting mental health)
- Cybersecurity hazards (e.g., data breaches, phishing, or unauthorized access to financial or personal information)
- Operational hazards (e.g., disruptions to programs, inadequate volunteer training, or third-party mismanagement)

4. Policy Statement

Peninsula City Church has a duty to provide a safe workplace for its staff and volunteers, a safe environment for its congregation, and a reliable development path for the organisation. Peninsula City Church will put procedures in place that will, as far as possible, ensure that risks are minimised and their consequences averted. The church will adopt a proactive, systematic approach to risk management, including regular assessments, training, and monitoring, to protect stakeholders and align with Christian principles of stewardship and accountability.

Peninsula City Church Board will ensure:

- Annual risk assessments are conducted to identify and prioritize risks across all operations, including physical, financial, reputational, legal, psychosocial, cybersecurity, and operational hazards.
- Develop and implement risk mitigation strategies, such as internal controls, safety protocols, and cybersecurity measures.

- Regular training to Elders, Board Members, staff and volunteers on risk identification, prevention, and reporting.
- A risk register is maintained to document risks, mitigation actions, and outcomes, with records retained for 7 years in compliance with ACNC requirements.
- Ensure compliance with all relevant laws, including the Occupational Health and Safety Act 2004, Privacy Act 1988, and ACNC standards.
- Review insurance coverage annually to mitigate financial and legal risks, including public liability, fidelity, and cyber insurance.

5. Regulatory Context

Peninsula City Church is committed to meeting its obligations under the ACNC Governance Standards, which require responsible management of risks to protect the charity's purpose, assets, and stakeholders. The policy also aligns with the Occupational Health and Safety Act 2004 (Vic) to address physical and psychosocial risks, the Privacy Act 1988 to manage data-related risks, and the External Conduct Standards for overseas activities.

6. Responsibilities

It is the responsibility of the Board to:

- Oversee the development and implementation of a comprehensive risk management framework.
- Conduct an annual risk assessment to identify and prioritize risks across all operations.
- Approve and monitor risk mitigation strategies, including internal controls and insurance coverage.
- Ensure compliance with legal and regulatory obligations, including reporting significant risks to the ACNC when required.

It is the responsibility of the Lead Pastor to:

- Ensure the implementation of the risk management policy and ensure staff and volunteers are trained on their roles.
- Monitor compliance with risk management procedures and report findings to the Board.

- Coordinate responses to identified risks, including investigations and corrective actions.
- Ensure the maintenance of a risk register to document risks, mitigation measures, and outcomes.

It is the responsibility of staff and volunteers to:

- Identify and report risks within their areas of responsibility to their Ministry Leader or the Lead Pastor.
- Participate in risk management training and adhere to risk mitigation procedures.
- Report any incidents or near-misses that could impact safety, finances, or reputation.

7. Risk Assessment Process

The Board will conduct an Annual Risk Assessment using a recognized tool, such as the ACNC's risk management templates or equivalent, to identify risks across all operations, including domestic and overseas activities. The assessment will cover:

- Physical risks (e.g. facility safety, event planning)
- Financial risks (e.g. fraud, budgeting errors)
- Reputational risks (e.g. misconduct, negative publicity)
- Legal risks (e.g. non-compliance with employment or charity laws)
- Psychosocial risks (e.g. bullying, stress, or harassment)
- Cybersecurity risks (e.g. data breaches, phishing attacks)
- Operational risks (e.g. volunteer mismanagement, third-party program failures)

The assessment may be conducted by a sub-committee but must be reviewed and approved by the full Board. Identified risks will be prioritized based on likelihood and impact, with mitigation strategies developed and implemented.

The Lead Pastor will oversee the implementation of approved mitigation strategies and report progress to the Board at regular meetings.

8. Training And Awareness

The Lead Pastor will ensure that induction processes for Elders, Board Members, staff and volunteers will include training on risk management, covering:

- Identifying and reporting risks specific to their roles (e.g., cash handling for volunteers, financial oversight for Board members).
- Preventing psychosocial hazards, such as bullying or harassment, in line with WorkSafe Victoria guidance.
- Recognizing and mitigating cybersecurity risks, including phishing and data breaches, in compliance with the Privacy Act 1988.
- Safe practices for church events, both on-site and off-site, including emergency procedures.

Training will be conducted annually, with additional sessions as needed following significant incidents or regulatory changes. Training will be tailored to the church's context.

9. Reporting And Response

Elders, Board Members, staff, volunteers, contractors, or community members who identify a risk or incident must report it immediately to their Ministry Leader, the Lead Pastor, or the Board Chair.

Anonymous reporting is available via our Safe Church email or external reporting service.

Ministry Leaders must escalate reports to the Lead Pastor or Board Chair within 24 hours. Risks involving legal or governance issues (e.g., fraud, non-compliance) must be reported to the ACNC or relevant authorities, such as Victoria Police or the Office of the Australian Information Commissioner (OAIC) for data breaches.

Upon receiving a risk report, the Lead Pastor or Board Chair will:

- a) Conduct an initial review within 2 working days to assess the risk's severity and urgency.
- b) Coordinate a formal investigation, if needed, within 7 working days, involving external experts (e.g., legal advisors, cybersecurity specialists) as appropriate. Any extensions must be communicated to relevant parties.
- c) Implement immediate actions to mitigate harm, such as securing facilities, data, or financial systems.
- d) Document findings in the risk register and report outcomes to the Board.

Whistleblowers reporting risks in good faith are protected under Australia's Whistleblower Protection Laws (Corporations Act 2001 and Taxation Administration Act 1953), with confidentiality maintained and no retaliation permitted.

10. Third Party And Overseas Programs

For programs involving third parties, particularly overseas, Peninsula City Church will comply with ACNC External Conduct Standards by:

- Conducting due diligence on third parties, including background checks and verification of risk management controls.
- Including risk management obligations in Memoranda of Understanding or agreements with third parties.
- Monitoring third-party activities through regular financial reports, audits, or site visits.
- Providing training to third parties on risk management, where appropriate.

The Board will assess risks specific to overseas operations, such as currency fluctuations, political instability, or fraud, and implement tailored mitigation strategies.

11. Insurance And Financial Protection

The Board will review insurance coverage annually to ensure adequate protection against identified risks, including:

- Public liability insurance for physical hazards
- Fidelity or crime insurance for financial hazards
- Cyber insurance for data breaches or cyber fraud
- Professional indemnity insurance for legal or governance risks

The Lead Pastor or Treasurer will ensure records of insurance policies are maintained and report coverage status to the Board as part of the Annual Risk Assessment.

12. Monitoring And Evaluation

The Board will monitor the policy's effectiveness through:

- Annual reports on risk incidents, mitigation outcomes, and training completion rates
- Feedback from staff, volunteers, and community members on risk management practices
- External audits to verify compliance with ACNC, WHS, and privacy obligations

Metrics, such as the number of risks identified, incidents resolved, or audit findings addressed, will be reviewed annually to inform policy updates.

13. Reporting To Authorities

Significant risks impacting governance, safety, or compliance (e.g. fraud, data breaches, or workplace incidents) will be reported to relevant authorities, such as the ACNC, WorkSafe Victoria, or the Office of the Australian Information Commissioner (OAIC), within required timeframes (e.g. 28 days for ACNC governance issues, 30 days for data breaches)

14. Compliance With This Policy

If the Lead Pastor or Board suspects non-compliance with this policy, they will investigate promptly, following procedures outlined in Section 9. Non-compliance may result in disciplinary action, up to and including dismissal or termination of volunteer/contractor status.

The policy will be reviewed every two years or sooner if significant incidents, legislative changes (e.g., updates to the Privacy Act 1988 or Occupational Health and Safety Act 2004), or ACNC guidance require updates.