Risk management roles and responsibilities

Use this reference to describe roles and responsibilities when it comes to managing risk.

We recommend that you:

- tailor them so they belong to your organisation
- be ready to advise and show leadership on how to perform them
- make them part of performance management
- put in place the relevant training and support so people perform their roles and carry out their responsibilities appropriately.

Victorian Managed Insurance Authority (VMIA) acknowledges the Traditional Custodians of the land on which we do business, and we pay our respects to Elders past and present. We acknowledge the important contribution that Aboriginal and Torres Strait Islander peoples make in creating a thriving Victoria.

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Role	Responsibilities
Responsible body **Oversees the organisation**	• Sets the tone and culture for risk awareness, accountability and ethical conduct. • Approves the risk management framework and ensure it aligns with strategic objectives. • Oversees major risks and ensures they're being effectively managed. • Monitors organisational risk appetite and tolerance levels. • Reports significant risks to the appropriate Minister or department. • Attests compliance with the Victorian Government Risk Management Framework (VGRMF).
Audit and Risk Management Committee (ARMC) **Advises the Board**	• Reviews the effectiveness of the risk management framework and internal controls. • Monitors key strategic and operational risks and mitigation strategies. • Oversees internal and external audit plans and findings. • Advises the Board on current and emerging risk-related matters. • Ensures compliance with relevant legislation and standards and verify the attestation statement.
Chief Executive Officer **Champions risk culture**	• Implements the Board-approved risk framework and policies. • Ensures resources are allocated for effective risk management. • Reports significant risks and incidents to the Board and ARMC. • Holds executives accountable for managing risks in their areas. • Builds relationships with other agencies to manage shared risk effectively.
Executive team **Owns and manages risk**	• Supports the CEO in implementing the risk framework. • Integrates risk management into planning and decision-making. • Monitors and report on risk performance. • Responds to emerging risks and incidents.
Chief Risk Officer/Risk Manager **Drives risk management**	• Champions the risk management framework • Facilitates risk assessments and reporting processes. • Advises executives and the Board on risk matters including shared and insurable risk. • Promotes risk awareness. • Coordinates enterprise-wide risk activities and ensure consistency.
Managers, staff and volunteers **Identifies and manages risk**	• Follows risk management procedures and policies. • Reports hazards, incidents, and near misses promptly. • Operates a safe and ethical workplace. • Contributes to continuous improvement in risk practices. • Identifies and manage risks in their operational areas. • Implements controls and mitigation strategies.

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Role	Responsibilities
Internal audit team **Provides assurance**	• Provides independent assurance on the effectiveness of risk controls. • Evaluates risk management processes and recommends improvements. • Audits based on risk priorities. • Reports findings to the ARMC and executive team.
External audit **Assurance to the community**	• Assesses financial reporting risks and internal control adequacy. • Provides independent opinion on financial statements. • Identifies systemic issues that may pose risks. • Reports findings to Parliament and relevant oversight bodies.
Risk management sub-committee *an option to drive more risk focus*	• Monitors risk management effectiveness and improvements. • Seeks expert advice to understand different risks to different business functions, e.g. clinical, financial, environmental, cyber or OHS. • Manages the risk transfer through insurance or third-party contracts. • Assesses risks and reports the assessment to the ARMC.
Clinical Quality Sub-Committee *guides health services' clinical practice*	• Oversees clinical risk management processes in line with the Victorian Clinical Governance Framework. • Reports significant clinical risks to the responsible body. • Monitors and analyses incidents, key clinical risk indicators and trends. • Oversees progress in implementing treatment plans.