



**Uniting Church in Australia**  
**ASSEMBLY**  
Assembly Standing Committee

21 - 23 July 2023

**DOCUMENT 8**

<b>Title</b>	<b>Risk Management Report Report to Assembly Standing Committee</b>
Type of Paper	For Noting For Discussion
Assembly or ASC Minute	Regulation 3.7.5.2
Consultation	AFARC Assembly General Secretary and Associate General Secretary National Director, Strategic Finance and Administration
Purpose	To provide the ASC with an update to the Risk Management System and Framework of the Assembly.
Rationale & Findings Summary	<p><u>Risk Management Framework</u> The Assembly's Risk Management system is comprised of several components as is set out in the Assembly Risk Management Policy. Main components are:</p> <ul style="list-style-type: none"><li>• <u>ASC Risk Governance Principles</u> – This document draws together the feedback from the ASC over several meetings which considered the question of “What is my/ASC’s role in Risk as a Governance Committee?” and overlay this on the regulatory requirements of such Committees.</li><li>• <u>Risk Appetite Statement</u> – this statement aims to set out clearly the Assembly’s approach to taking on Risk and highlighting tolerances to risk. Refer Appendix A</li><li>• <u>Risk – Dashboard and Heatmap Report</u> – High level reporting on Risk – including the Risk Register</li><li>• <u>Risk Register</u> – This document looks to identify all the risks facing the Assembly in the work that it does and rates each risk (by going through a process of identifying both the inherent risk and the residual risk - after considering controls). Refer Appendix B</li></ul> <p><u>Feedback from March 2023 ASC</u> Feedback received from the March 2023 meeting of ASC has been taken on board. Risk Register: Following feedback, the following changes have been made:</p> <ul style="list-style-type: none"><li>• MP6 - Possibly does not capture the current state of relationships between the Congress/Assembly/Synods. Focus needs to be on what is Assembly specific (rather than trying to capture Synod specific situations). <b>We have included additional wording in MP6 to identify this as part of the risk and ensure that the distinction between how various councils of the Church interact with the Congress is clear.</b></li><li>• OP3 - Archives has no more physical space (it’s full). Is that a risk for record keeping if we are only accepting electronic records because of space restriction. <b>Have noted that physical records can and are being converted to digital which makes it easier to search for them. But</b></li></ul>

appreciate that there will be some documents which need to be kept in physical/original format due to their nature.

- FP3 - Have we captured any possible financial implications (ie Redress) of other Royal Commissions (ie Disability RC, Forced Adoption RC). Have broadened the risk to include other potential matters of Redress (in addition to SMC to note the risk of physical and other abuse, forced adoptions, stolen wages claims and stolen generation claims amongst other potential claims)
- ORG1 – Noting the increased risk of the Church failing to respond in a unified matter. Have noted potential failure to reach agreement on how to provide support to other councils of the church which may find themselves in financial distress, but also noted strong goodwill towards the process for the Assembly/Synods to work collectively together.

#### Risk Updates Generally – July 23

The update to the July 2023 Risk Register (as attached) reflects the increase in the overall High/Significant from 41% to 45% reflecting a general overall increase in the risk environment.

The increase to the risk environment continues to reflect the difficult current environment re matters of Historical Redress and Civil Claims and the increasing average claim value coming through.

It is important when considering this increased risk profile that the National Redress Scheme is now more than 5 years through the 9-year notification period (however the possibility, as occurred in other countries, that the scheme may be extended past its due date, is an important consideration).

The increasing risk environment also reflects the reduction in available insurance cover being seen in the market, with Catholic Church Insurance “CCI” now formally announcing, effective June 2023, they will no longer write any future insurance cover and will now move into run off cover.

Part of the National Assembly’s and its agencies insurance cover, which is placed via the NSW.ACT Synod, is with CCI, which will require the seeking out of alternative insurers to fill the capacity previously covered by CCI at the upcoming October 2023 annual renewal process.

No changes are proposed to the existing, ASC endorsed, Risk Appetite Statement. (Appendix A)

#### Workshop sessions

We would also like to continue the process of breaking into small groups to again allow a deeper dive into both the Risk Papers and consider the following: (20 minutes all up).

Review both the updated Risk Appetite and updated Risk Register as attached to the papers and consider the following;

- Are there any key risks not included?
- Are risk ratings reasonable and appropriate?
- Are there additional controls that should be put in place.

Attachments	<p>Risk Management Report comprised</p> <ol style="list-style-type: none"> <li>1. Risk Appetite Statement – Appendix A</li> <li>2. Dashboard/Heatmap Reporting of Risks - Appendix B</li> <li>3. March 2023 ASC Risk Register – Appendix B</li> <li>4. ASC Risk Governance Principles – Appendix C</li> </ol>
Proposals	<p>That the Assembly Standing Committee:</p> <ol style="list-style-type: none"> <li>1. Receive the report</li> </ol>
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