



I am pleased to present the Business Review Group (BRG) *Risk Management Policy*. BRG's risk management policy, together with practical guidance and support tools, forms our Risk Management Framework and will help to embed best practice risk management and accountability into BRG's business activities for the benefit of our stakeholders.

The BRG risk policy attempts to address the indicative requirements of the Defence Strategic Review (DSR) including the need to understand what the changes in risk and policy settings means to us in our day-to-day interaction with Defence. However, the more visible change will be the intended move from a project-based risk approach to that of a focus on strategic risk.

This will involve a shift to a greater appetite and increased tolerance for risk to achieve strategic outcomes with at times reduced capability but faster project delivery.

Managing risk is an essential part of governance at BRG and critical to developing and improving our business capabilities and those of our stakeholders.

Our risk management framework aims to:

- Increase awareness of risk management in BRG.
- Improve understanding of our role and responsibilities for engaging with risk in BRG and whilst working with our stakeholders.
- Build capability in risk management for BRG.
- Shape positive attitudes towards risk management that leads to long term and enduring cultural change.

Good risk management provides assurance around our strategic planning, programme and project management, policy development and decision making. It is not about avoiding risk but identifying and actively managing risk, inherent in every BRG activity and those of our stakeholders.

The BRG risk management plan will be reviewed annually (or when there is significant change in BRG or one of our stakeholders to ensure our practices remain robust, are in-line with emerging trends and meet legislative requirements.

We all have a responsibility to embed best practice risk management for BRG and in all tasks undertaken with our stakeholders. I commend our Risk Management Framework to all staff contractors and to our stakeholders.

Tim Burns
Managing Director
Business Review Group

BRG RISK MANAGEMENT POLICY

INTRODUCTION

Business Review Group is responsible for providing contract services to Commonwealth Government client (the Commonwealth), primarily the Department of Defence (Defence). As a contractor to the Commonwealth, we are engaged using public funds to deliver our expertise as detailed in our contractual arrangements with the Commonwealth.

PURPOSE

BRG is committed to managing risks and harnessing opportunities to instil confidence that we can allocate our resources and make decisions that support the achievement of the objectives and outcomes detailed in the contractual arrangements with the Commonwealth.

BRG employees and contractors play an important role in identifying, assessing and managing the risks associated with the functions and activities that they undertake or in which they participate. This Policy should be used in conjunction with the *BRG Risk Management Framework*.

The effective management of risk enables BRG and its staff and contractors to:

- Establish a reliable basis for decision-making and planning.
- Improve the identification of risk and opportunity.
- Comply with relevant contractual and regulatory requirements.
- Ensure the effective and efficient use of available resources for risk management.
- Escalate identified risks of concern and opportunities to the Commonwealth.
- Enable risk-based prioritisation of funding and effort for the Commonwealth.
- Improve operational efficiency and effectiveness for both BRG and the Commonwealth.
- Improve stakeholder confidence and trust.
- Increase the likelihood of BRG achieving its objectives.

BRG RESPONSIBILITIES

BRG will ensure that staff and contractors have the necessary risk management knowledge, understanding and support to undertake effective risk management whilst working with the Commonwealth and internally within BRG.

All BRG Staff and Contractors working with the Commonwealth, must comply with:

- *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Section 16 of the PGPA Act creates a mandatory duty to establish and maintain systems relating to risk oversight and internal control for the entity. **This duty encompasses management consultants and independent contractors who work for the entity, even if they are not officials of the entity.**
- Accountable Authority Instructions (AAI's) are issued under the PGPA Act, specifically AAI-1 provides instructions to all officials on risk management.
- The Commonwealth Risk Management Policy (CRMP) provides the practical guidance to support the requirements of Section 16 of the PGPA Act and requires that an entity must ensure that the nine policy elements of the CRMP are complied with.

REVIEW

BRG is committed to an annual review of the Risk Management Plan, including the Risk Management Policy, and a regular performance review of the effectiveness of our approach to understanding and managing risk. The framework will also be subject to review if there are changes in our internal or external environments which may warrant changes or updates.