

Risk Appetite Statement for Banksia Gardens Community Services

Overall risk appetite

BGCS is a not-for-profit charity. We operate community service programs in Hume City.

Risk management is a central management discipline in our organisation. Oversight for risk management is the responsibility of the BGCS Board of Governance. Following is the Board of Governance's view of the overall risk appetite of the organisation.

This statement informs the overall conduct of the Risk Management Plan and the specific processes that are conducted within this risk system.

BGCS is a member organisation with our mission stating that we will be a leader in education, training and community engagement programs in Hume City and the northern suburbs. Our services will provide opportunities, particularly for those experiencing disadvantage and poverty that lead to further education and employment pathways, enhance wellbeing and transform lives.

Central to our ongoing success is our reputation with our clients, students, young people, families, creditors, funders (philanthropic, corporate, government) and other key stakeholders. We take a long-term view of the organisation's sustainability and make decisions accordingly.

To ensure the ongoing success of our reputation we will ensure we provide quality services and programs, excellent customer service and that our stakeholders are aware that we adhere to and are compliant with our regulations i.e. ACNC, ATO, Incorporations Act, Victoria Government laws, DHHS, Child Safe.

The BGCS Board of Governance recognises the importance of our well-trained and highly motivated work force. We will firstly ensure that in our workplaces (Broadmeadows, Kenley Court, Dixie Court, Dianella Clinic, school hubs, Broadmeadows Courts) that we have the highest level of safety possible. We stress the importance of a stable workforce.

As an organisation which has operated in Hume for 38 years, we are well established and have over the past few years taken risks in program areas that we previously have not worked in.

Since becoming a charity, BGCS has developed the following statements in regard to specific risk tolerances.

Strategic Risks

- We will always have a current strategic plan.
- We will always have an appropriate Board of Governance with a diverse range of financial management and training skills.
- We will always be aware of current government policies that relate to BGCS services and programs.

Financial Risks

- Our capital ratio “solvency” (which measures our ability to meet short-term liabilities on and when they are due) must never fall below 1 (without Board approval).
- Our debt to equity ratio must always be less than 1 (without Board approval).
- We will never have a total trading deficit over a three year period (without Board approval).

Operational Risk

- Will always ensure statutory compliance requirements will be up to date.
- We will always have a diverse revenue source, with no one source of funds being more than 40% of operating revenue (without Board approval).
- We will always have appropriate policies and guidelines that allow us to meet our legal, business and community obligations.
- Our employee turnover should not exceed 15% (without Board approval).
- We will ensure no new projects should put at risk the financial viability of the organisation.
- We will always have a current marketing plan.
- We will ensure our IT systems are appropriate for the organisation’s needs and are properly resourced.

Totally Unacceptable Risk

- Serious workplace injuries to employees, volunteers, contractors, students and clients are totally unacceptable.
- Deliberate violation of any Australian law is totally unacceptable.
- Any serious breach of BGCS Code of Conduct is totally unacceptable.
- Any violation of BGCS Child Safe Code of Conduct, Child Safe policy or Dealing with Reports of Child Abuse policy is totally unacceptable.
- Any serious breach of BGCS policies is totally unacceptable.
- Any serious breach of BGCS WHS policy totally unacceptable.