

Authorised	Date
CEO	12/2/2026
Risk Committee	12/2/2026
Board	19/2/2026

1. Overview

Neighbourhood Watch Victoria Inc (NHW) recognises that the organisation is exposed to certain risks due to the nature of its activities and the environment in which it operates. The key to Neighbourhood Watch Victoria's success is the effective management of risk to ensure its organisational objectives are achieved.

Risks arise due to the organisation's operational and strategic undertakings and from external sources.

Risks occur in numerous ways and have the potential to impact financial performance, reputation, health and safety, community and the overall performance of the organisation.

2. This Policy

Neighbourhood Watch Victoria has established this Risk Management Policy to provide the framework for how risk will be managed within the organisation.

This Risk Management Policy is based on the Australian Standard, AS/NZS ISO 31000:2009 Risk management – Principles and guidelines, and forms part of the governance framework of the organisation. It also integrates with the strategic planning process. The Policy addresses both strategic and operational risks.

Skills and expertise will be used to identify risks across the organisation. The consequences will be assessed and the likelihood of occurrence will be determined. Where risk lies outside the organisation's risk tolerance, risk treatment plans will be developed and controls put in place to mitigate the risk to a level that is as low as reasonably practicable (ALARP). We will assess the size or degree of risk by taking into consideration the potential impact to our operations. Risks will be ranked in a common and consistent manner and a Risk Register will be maintained containing material risks to the organisation.

Risks, controls and the effectiveness of the risk management systems will be monitored on a regular basis, and we will communicate and consult with relevant stakeholders on our approach to managing risk.

The Board will establish a Risk Committee to monitor and oversee the risk management process.

3. Scope

This policy applies to the Board, casual, permanent and contract staff.

4. Approval

This policy is issued under the authority of the Board of Neighbourhood Watch Victoria Incorporated and represents the current policy of NHW until it is revised or rescinded.

5. Communication and oversight

The risk register will be presented at each Board Meeting and include any changes to the risk levels and analysis of trends. Details of any new risks identified, and remediation steps will be recorded. Any risk that currently lies outside of the organisation's risk tolerance will be discussed and required actions resolved.

Examination of the effectiveness of controls and mitigation plans will be assessed by the Board's Risk Committee routinely.

6. RISK APPETITE

Strategic risks

NHW Victoria recognises that the actual or perceived inability to deliver strategic initiatives could have a significant impact on its ability to achieve its objectives as well as on its reputation.

A framework is in place to ensure these initiatives are prioritised appropriately and are managed and reported on a consistent basis.

NHW has a **high risk appetite** for those strategic risks that could be encountered as it strives to realise its strategic goals and objectives.

Financial risks

NHW Victoria assesses its financial risks both from a strategic and operational perspective. NHW always requires a balance between adequate reserves and liquidity and understands that it is not always possible to eliminate all risks. NHW will manage associated balance sheet risks to an acceptable level through a framework of policies and financial controls.

NHW has a **low risk appetite** for financial risk.

Funding risks

NHW needs to retain consistent Government funding (adjusted for inflation) and to achieve sustainable growth in non-government funding by delivering value-add programs and activities.

This requires ongoing innovation in exploring funding sources. NHW will mitigate the associated risks by ensuring that funding activities are efficient, adhere to NHW's values and meet accepted Australian industry standards.

NHW has a **moderate risk appetite** in identifying and exploring new ways of unlocking funding opportunities.

Reputational risks

Public scrutiny is an inherent and welcomed component of NHW activities. This has the potential to raise risks around operations and strategy. NHW will seek to ensure transparent and clear communication to mitigate these risks and that key stakeholders are kept informed of matters relevant to them.

NHW has a **low risk appetite** for activities that will compromise the ethics, brand or credibility of the organisation.

Compliance and Legal Risks

NHW Victoria is an organisation that is in the public eye and is also incorporated under the Victorian Associations Incorporation Reform Act 2012. It is also a not-for-profit association with charity status registered with the Australian Charities and Not-for-profits Commission.

The above and normal business practices, including communicating with the organisation's Members impart a series of legal and compliance obligations. Failing to meet these obligations creates potential risks for the status of the organisation and to office bearers. NHW Victoria will always operate ethically and within the law.

NHW has a **low risk appetite** for activities that will compromise the compliance and legal obligations of the organisation.

Operational risks

NHW carefully analyses risks in its operational activities, including ensuring that the benefit of the risk control measures exceeds the costs of these measures. NHW has processes in place and can make resources available to manage operational risks to acceptable levels.

NHW has a **low risk appetite** for operational risks.

OH&S practices

The responsibility for maintaining a safe environment is shared by all NHW personnel.

NHW has a **very low tolerance** for noncompliance with accepted OH&S practices and policies.

Privacy and information technology risks

NHW requires its information management systems and procedures to be adequate and relevant for their intended purposes. NHW internal control processes need to ensure the development of robust technology systems to potentially mitigate significant and malicious threats to NHW assets and data.

NHW has a **low risk appetite** to the non-availability of systems and **very low risk appetite** for misuse of information, which includes any personal data relating to employees or volunteers.

7. Review

This policy will be reviewed annually.

8. Supporting documents

This policy is supported by the following documents, which also form part of this policy:

- **Risk Management Matrix and Guidelines**
- **Risk Register**