**EDUCATION, SCIENCE AND TRAINING**

**SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE**
**2004-2005 BUDGET ESTIMATES HEARING**

**Outcome:** All
**Output Group:** All

**DEST Question No. E286_05**

Senator Carr provided in writing.

**Question**:

Please provide information about departmental risk management processes and procedures, including those in financial risk management?

**Answer**:

*Risk Management processes and procedures, including those in financial risk management.*

Risk Management processes and policies have been operating for 5 years in DEST and the predecessor Department, DETYA. With strong Executive support a risk aware culture has been developed, with a number of policies, procedures and tools to promote effective risk management.

An indicator of the effectiveness of our risk management programme is that DEST's Risk Management practices gained recognition with an Honourable Mention in the Comcover Awards for Excellence in Risk Management in 2003. The citation stated:

> "**Honourable Mention** - *Department of Education, Science and Training*
>
> The judges commented favourably upon the fact that the approach to risk management is mandated and mature, that the risk management function is well resourced and a comprehensive data base is used to document, monitor and review risks.
>
> An effective reporting framework has been established and risk management is integral to all new program development. Importantly, three successive heads of the agency have demonstrated commitment and leadership in risk management."

Financial risks in DEST are managed in accordance with the overall risk management framework and are specifically addressed in individual risk assessments where they are relevant.

Specific risk assessments are undertaken for each major finance function. The Chief Executive's Instructions are available to all staff on the intranet and provide specific instructions on risk management and the Audit and Business Assurance Committee provides a proactive role in over sighting and advising on financial risks.