Risk Management Policy

October 2025

Powering Skills Organisation Ltd

Policy # PSO-049	**Version:** 1.0	**Policy owner:** GM, VET and Technical
Effective date: October 2025	**Next review date:** October 2026	**Authorised by:** CEO

1. Purpose

This policy establishes the approach and principles for managing risk within the Powering Skills Organisation (PSO). It establishes the organisation's intent to identify, assess, and manage risk proactively to achieve strategic objectives, meet compliance obligations, and maintain stakeholder trust.

2. Scope

This policy applies to all PSO Board members, the Audit and Risk Committee (ARC), the Chief Executive Officer (CEO), Leadership Team, PSO employees, and contractors.

3. Policy Statement

PSO is committed to:

- **Continual improvement** in risk management and organisational performance.
- **Full accountability** for risk controls and treatments.
- **Integration of risk management** into governance, strategic, and business planning.
- **Application of risk management** in decision-making processes.
- **Maintaining adequate skills and capabilities** for effective risk management through the Internal Controls Framework.

4. Risk Appetite

The Board defines the organisation's risk appetite and tolerances, balancing risk and opportunity to achieve objectives. The Board's appetite varies by risk category, with low tolerance for risks that could significantly impact compliance, reputation, or financial stability, and a higher tolerance where calculated risks may deliver strategic benefit.

5. Governance and Accountability

- **Board:** Approves and oversees the Risk Management Framework, Policy, and Register; reviews significant risks and ensures compliance with legislation and funding requirements.

- **Audit & Risk Committee (ARC):** Monitors and reports on PSO's risk profile; ensures appropriate treatment and contingency plans exist.
- **CEO:** Implements the Framework, promotes a culture of risk awareness, allocates resources, and escalates emerging risks.
- **Leadership Team:** Identifies and manages divisional risks; ensures staff understanding and compliance.
- **Employees & Contractors:** Act as risk owners within their work area and report new or emerging risks promptly.

6. Risk Management Framework

This Policy is supported by the PSO Risk Management Framework, which provides detailed guidance on how risk is identified, analysed, evaluated, and managed. The Framework includes PSO's risk assessment criteria, risk appetite tables, and reporting procedures.

7. Related documents

- PSO Risk Management Framework
- PSO Financial Management Policy
- PSO Fraud and Anti-Corruption Policy
- PSO Information Security Policy
- PSO Code of Conduct
- PSO Delegation of Authority
- PSO Protected Disclosure Policy

8. Document Control Table

Version	Description	Date
0.1	First draft	October 2025