OPAN Older Persons Advocacy Network

OPAN Risk Appetite Statement

Risk Area	Description	Risk Appetite Level
Strategic Risks	OPAN 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 reputation. The NACAP Workplan and the OPAN operational plan are in place to ensure these initiatives are prioritised appropriately and are managed and reported on a consistent basis. OPAN has to keep abreast of national and strategic risks, e.g. pandemic, aged care sector reputation and cyber risks. OPAN has processes in place to mitigate these risks which are prioritised through a well-defined framework that involves regular Board and Senior Management communication and reporting.	OPAN has a **moderate risk appetite** for those strategic risks that will realise its strategic goals and objectives.
Pandemic & crisis response to aged care and older people	OPAN recognises that older people may be effected by environmental (e.g. bushfires), pandemic and other periods of crisis. This could require specific and tailored responses to support people through information, education, individual advocacy support. The needs of older people may also be needed to be communicate to government to deal with systemic issues related to aged care and the supports required for older people, their families and their representatives.	OPAN has a **moderate risk appetite** for those responses which support older people's rights, communication with providers and government and responses to ensure service access. OPAN has a **low to no risk appetite** to be a primary response provider in pandemic response
Financial Risks	OPAN assesses its financial risks both from a strategic and operational perspective. OPAN requires at all times a balance between adequate reserves and liquidity, and understands that it is not always possible to eliminate all risks. OPAN will manage associated balance sheet risks to an acceptable level through a framework of policies and financial controls.	OPAN has a **low risk appetite** for financial risk, particularly in relation to cash flow and liquidity, with a current ratio of greater than 1.0 to be maintained at all times

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Growth & Fundraising Risks	OPAN acknowledges its current reliance on government grants and contracts for services to be able to operate. Over time, OPAN may need to achieve sustainable growth in public and non-government institutional fundraising by delivering value- add programs and activities. This may mean that OPAN, carefully explores options for more a diversified funding base. OPAN will mitigate the associated risks by ensuring that fundraising activities are efficient, adhere to OPAN's values and meet accepted Australian industry standards and those of other regions in which we operate.	OPAN has a **moderate risk appetite** in identifying and exploring expansion opportunities for NACAP and supports for older people within the broader it operates in, while considering operational risks. OPAN has a **low risk appetite** for public fundraising. This is primarily due to the current funding environment and limited experience in the area of fundraising. This may be reviewed over time.
Innovation Risks	OPAN embraces innovation and continuous improvement. From its internal operating systems, public engagement activities, advocacy engagement and our program work in the field, OPAN needs to be innovative in all aspects of its work.	OPAN has a **moderate to high risk appetite** for innovation and the value it will bring to OPAN as well as the communities and stakeholders we serve.
Program and Operational Risks	OPAN delivers rights and aged care advocacy through its members who deliver direct client information, education and individual advocacy support. IN addition, the OPAN national secretariat and through information, education and systemic advocacy activities but in relatively stable policy and political environments given the Australian context. The risks of failing to act often outweigh the risks of engagement and therefore, program decisions are based on a thorough analysis and the application of risk management strategies. The NACAP Workplan and the OPAN operational plan are in place to ensure these initiatives are prioritised appropriately and are managed and reported on a consistent basis. Innovation and the testing of new models of programming is key to finding viable and sustainable solutions to promoting older people's rights and individual advocacy support, in doing so the risk of occasional failure is accepted and lessons learnt used to drive continuous improvement.	OPAN has a **low risk appetite** when it comes to protecting beneficiaries, partner agencies, staff and resources. OPAN has a **low risk appetite** for failure to deliver project objectives and KPIS as a result of factors within our control and expects mitigations in place to meet KPIs OPAN has a **moderate risk appetite** in adapting the advocacy model to deliver to hard to reach populations (specifically those outlined as 'special needs' within the Aged Care Act 1997).

Risk Area	Description	Risk Appetite Level
Systemic Advocacy Risks	OPAN approaches the delivery of its advocacy program both from strategic (impact and reach) and operational (structure and delivery) perspectives. A just world for older people where their rights are promoted and exercised requires significant power shifts both politically and economically. Advocacy for such change is a strength and skill set OPAN's Members (and now OPAN nationally). Opan will therefore approach its advocacy activities in accordance with its policies, processes and controls in place to manage the risks inherent in this activity.	OPAN has a **moderate-high risk appetite** in advocating for older people and reducing ageism in Australian society, where this is based on evidence and/or the voice of older people.
Reputational & Media Risk	Public scrutiny is an inherent and welcomed component of OPAN's activities. OPAN aims to be transparent though some of its work may generate negative public perception and media coverage which will affect its reputation. OPAN will seek to ensure transparent and clear communication in order to mitigate this risk and that key stakeholders are informed.	OPAN has a **low risk appetite** for activities that will compromise the brand of the organisation. OPAN has a **moderate risk appetite** media statements on issues impacting the rights of older people and aged care without impact on relationship with funder/government, where these are evidence based and represent the voice of older people. OPAN has a **low risk appetite** for decisions which impact OPAN's independence from providers
Fraud & Corruption Risk	OPAN accepts that its operating environment heightens exposure to the risk of fraud and corruption. These practices, as well as the misappropriation of resources, are in direct contravention to OPAN's values. OPAN will mitigate such actions as deemed necessary in line with our Fraud Prevention Risk Management Policy & Guidelines. OPAN's reputation for integrity and competence should not be compromised including in relation to key stakeholders, supporters and Government.	OPAN has **no risk appetite or tolerance for fraud and corruption**.
Compliance Risks	OPAN is committed to a high level of compliance with relevant legislation, regulation, industry codes and standards as well as internal policies and sound corporate governance principles. Minor breaches may occur from time to time, but will be reported and responded to. OPAN will seek to mitigate compliance risks through adherence to internal policies and good corporate governance.	OPAN has a **low risk appetite** for non-conformance.

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Human Resources	It is critical that OPAN have suitable people with the right skills, competence and behaviours. However, the short-term nature of OPAN's project and current grant funding extension require OPAN's HR approach to be able to be agile and adaptable. In order to attract and retain key talent, the OPAN Secretary will promote flexibility, adaptation, ongoing respectful feedback, positive culture and professional development of its core resources.	OPAN has a **low risk appetite** for non-compliance with OPAN HR stated policies and procedures, but has a **moderate risk appetite** for flexibility in its HR engagement and flexible work arrangements.
Information Technology & Cybersecurity Risks	OPAN requires its information management systems and procedures to be adequate and relevant for its intended purpose. OPAN's internal control processes need to ensure the development of robust technology systems to potentially mitigate significant cybersecurity risk and malicious threats to OPAN assets.	OPAN has a **low risk appetite** to the non- availability of systems or cybersecurity risk, and will put in place internal controls and monitoring to mitigate the risk. OPAN has **no risk appetite** for misuse of information.
Work Health and Safety Risks	OPAN aims to create a safe working environment for staff where people are protected from physical or psychological harm. OPAN will maintain and processes to reduce the risks associated with high risk activities where practicable.	OPAN has **no risk appetite or tolerance** for non-compliance with accepted WHS practices and for practices or behaviours that may lead to staff being harmed while at work.

Risk tolerance levels

OPAN Tolerance Level	Financial	Human Resource/Management Effort	WH&S	Reputation/community	Legal/Compliance
Low	Initiative has a risk that could result in loss, error or omission up to 1% of annual National Secretariat budget or projected revenue	An event where the impact can be absorbed through business-as-usual activity.	Any activity with an assessed level of risk that has potential to result in need for First aid treatment required.	Any response or initiative that could result in minor local adverse public attention, social media or complaints	Minor legal issues, non-compliances and breaches or regulations
Moderate	Initiative has a risk that could result in loss, error or omission up to 2% - 5% of annual National Secretariat budget or projected revenue.	An event, which with proper management can be endured, but may involve some changes in management, additional resources required.	Any activity with an assessed level of risk that has potential to result in serious or significant but reversible injury/disabilities requiring hospitalisation.	Any response or initiative that could result in adverse mainstream and social media attention and/or heightened concern of local community.	Breach of regulation with investigation or report to authority with prosecution and/or moderate fine possible.
Moderate-High	Initiative has a risk that could result in loss, error or omission up to 5%-10% of annual National Secretariat budget or projected revenue.	An event where the consequences can be absorbed but significant management effort is required to minimise the impact, potential reallocation of resources.	Any activity that could lead to a minor incident not requiring first aid.	Any response or initiative that could result in heightened and/or significant mainstream or social media attention or jeopardises funder/government relationship.	

High	Initiative has a risk that could result in loss, error or omission up to >10% of annual National Secretariat budget or projected revenue.		Ongoing serious public or media outcry (state or national coverage) or loss of confidence of government.	

OPAN member organisations by state or territory:

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