Enterprise Risk Management

Policy Type: Governance Process  Policy Number: #124
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1. Statement of Principle

VAA is committed to ensuring that risk management is a core capability and an integral part of its business activities. The Board is accountable for the oversight of risk management, thereby ensuring that a risk management framework is used in achieving VAA’s strategic plan goals.

2. Definitions

Risk has an effect of uncertainty on business objectives. It is an event that can deter VAA from achieving its strategic goals.

Enterprise Risk Management is a proactive approach by which threats to and opportunities for an organization are identified, evaluated, and integrated across all disciplines.

Risk Register is the official record of the identified risks facing the VAA, their probability and severity rating, and mitigation strategies.

3. Risk Appetite

The VAA operates within an overall medium low risk range. VAA’s lowest risk appetite is in meeting its safety, security, and regulatory objectives. A marginally higher risk appetite exists in achieving financial and reputational objectives.
4. Procedures
   a. Risk is an inherent part of the Victoria Airport’s business. For management and reporting purposes, they will be categorized as risks to: business, financial, operations, security, human resources, information management or technology, environment, assets or reputation.

   b. Management will maintain a Risk Register for review by the Board at least annually. The Register will include a description of the risk, the probability of it occurring, its severity or impact upon occurrence, an overall rating (probability x severity), mitigation strategies and the operational manager responsible.

   c. Management will also provide quarterly statements/declarations identifying any new risks or risks that are increasing in probability and/or severity.