



Australian Government



REGIONAL
INVESTMENT
CORPORATION

REGIONAL INVESTMENT CORPORATION CORPORATE PLAN

2018-19



The corporate plan is a Commonwealth entity requirement under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

The plan is prepared in accordance with the *Public Governance, Performance and Accountability Rule 2014* and will be acquitted in the annual performance statements published in the *Regional Investment Corporation Annual Report 2018–19*. The reporting periods covered by this corporate plan are 2018–19 to 2021–22.

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MESSAGE FROM THE CHAIR



I am pleased to present the inaugural corporate plan for the Regional Investment Corporation (RIC).

The RIC was established as a corporate Commonwealth entity on 8 March 2018 under the *Regional Investment Corporation Act 2018* (RIC Act). The RIC Board was appointed on 29 March 2018. Since that time we have been working hard to establish the new entity to ensure we hit the ground running.

This corporate plan sets out what we will do in 2018–19 as we begin delivering Commonwealth farm loans and the National Water Infrastructure Loan Facility. This is in line with our Operating Mandate made by our responsible Ministers, the Minister for Agriculture and Water Resources and the Minister for Finance.

We opened for business with loans available from 1 July 2018. We are confident in our products, with more farmers being eligible for farm loans than ever before and the water loans facility being successfully transferred to us. Since launching our loans, we have had significant interest from our key stakeholders and have received applications in the early weeks of opening.

We are acutely aware that many Australian farmers and regional communities are doing it tough. The current drought conditions place great strain on farm businesses, putting some in a position where they need help. Other farm businesses may be seeking funds to better position their business for future growth and increase their resilience in the face of forthcoming challenges. Our farm loans aim to help farmers make their businesses stronger, more resilient and more profitable. We welcome the announcement made by the Australian Government on 19 August 2018, increasing the maximum farm loan amount to \$2 million.

Regional communities will benefit from significant water infrastructure projects to improve Australian water security and sustainability into the future through co-investment with state and territory governments.

We are focused on getting our business right, and we are also keenly interested in how we can further encourage growth, investment and resilience in the Australian agriculture sector and rural and regional communities.

I commend our first corporate plan to our stakeholders and invite you to learn more about our initial operations and our plans to move forward.

David Foster
Chair of the Board



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OUR PURPOSE

Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans and the National Water Infrastructure Loan Facility.

2.1 KEY FUNCTIONS

We work to achieve our purpose through our two key legislative functions, which commenced under the RIC Act on 1 July 2018.

2.1.1 DELIVERING FARM LOANS

In accordance with our Operating Mandate, we are providing low-interest loans to farm businesses on behalf of the Australian Government to support their long-term strength, resilience and profitability. We currently offer two types of farm loans: farm investment loans and drought loans.

- Our farm investment loans help farm businesses build and maintain diversity in the markets they supply so that they can take advantage of new and emerging opportunities across Australia and overseas.
- Our drought loans help farm businesses prepare for, manage through and recover from periods of drought.

From 2018–19 we will administer farm loans in a nationally consistent way, prudently and efficiently assessing loan applications to help farmers in need. We will manage the loan book, balancing the needs of farm businesses with our obligation to manage the government's loan funds appropriately.

2.1.2 DELIVERING THE NATIONAL WATER INFRASTRUCTURE LOAN FACILITY

The National Water Infrastructure Loan Facility is designed to help state and territory governments co-invest in vital water infrastructure. This funding aims to accelerate the construction of major water infrastructure projects such as dams, weirs, pipelines, managed groundwater (aquifer) recharge and wastewater reuse schemes. This will deliver broad public benefits, including increased regional water availability and security for water users.

As well as administering the loan facility from 1 July 2018, we will provide independent advice to government on projects for consideration, and administer agreements with states and territories for any approved loan to fast-track the construction of priority water infrastructure.



3

OUR ENVIRONMENT

This section sets out our operating environment, risks to delivery, and the capabilities required to deliver farm loans and water loans.

3.1 DELIVERING FARM LOANS

3.1.1 OPERATING ENVIRONMENT

Agriculture sector

The Australian agriculture sector is diverse but the individual farm business remains at its centre. Australian farmers are facing climate change as well as market volatility and at times our farmers are in genuine need of help to tackle these and other challenges. The external factors facing Australian agriculture form a considerable part of our operating environment.

Our farm loans are designed to assist in a variety of situations and are targeted at farm businesses in need. Compared to previous Commonwealth concessional loan schemes, our loans are available to more farmers than ever before. They can be used for a variety of purposes such as refinancing, drought preparedness activities and to support market diversification.

A key eligibility criterion for a farm loan is that the business is in 'financial need' but is also viable in the long term. Therefore our loans are designed to complement the broader risk management toolkit available to farmers.

Commercial lending environment

While we are not a commercial lender, we are conscious that we are entering loan agreements that will necessarily intersect with our customers' existing commercial lending arrangements. Our loan settings have been designed to help farmers maintain a positive working relationship with their existing commercial lenders. Specifically, we require that applicants must have at least 50 per cent of their debt with a commercial lender and that the commercial lender must support the proposed RIC farm loan.

We are cognisant that at the end of the loan term customers will be required to repay their loan and, in many cases, refinance the outstanding balance with their commercial lender.



Service delivery

We will deliver assistance that previously has been offered through state and territory agencies. There are clear benefits in moving to a nationally consistent delivery model. However, we acknowledge the ongoing management of existing loans by state agencies.

Experience drawn from previous Australian Government programs is that the best approach to service delivery is often developed from a farmer's perspective. Therefore in developing our arrangements we considered what needs to be in place for a farmer to access a loan and aimed our efforts at reducing known barriers to uptake.

Focusing on the customer, it is important that we provide:

- clear, concise and accessible information about loans and how to apply for them
- a loan application process that does not place an unnecessary burden on farmers and recognises we are dealing with farmers in need
- a high level of customer service standards, consistent with our Operating Mandate, including the way we handle appeals and complaints.

3.1.2 RISKS

At the highest level, the main risks we are managing are that:

- farm loans are not delivered in a nationally consistent and streamlined manner that meets the needs of farmers, and
- the loans are not repaid.

Further risks are that we are unable to adequately respond to farmers in need in the event of an industry crisis or regional event, and that we do not have the capacity to address eligibility gaps that may emerge in current loan settings.

3.1.3 CAPABILITIES

It is a priority to build the capability we need to deliver our key activities over the reporting periods covered by this plan. Key capabilities to deliver the farm loans include:

- attracting suitably qualified and experienced staff to oversee the administration of loans and make key decisions related to loan approvals and management
- developing processes and expertise that enable us to operate alongside the commercial lending environment while meeting our obligations under Commonwealth reporting and accountability frameworks
- utilising the expertise of any service provider to administer loans efficiently and effectively, subject to clear service delivery standards
- establishing systems to receive, assess and track loan applications and ensure national consistency and streamlining.

Our capabilities will be complemented by the work of the Department of Agriculture and Water Resources, given its responsibilities for broader agriculture policy and programs.

3.2 DELIVERING THE NATIONAL WATER INFRASTRUCTURE LOAN FACILITY

3.2.1 OPERATING ENVIRONMENT

The loan facility provides a mechanism for the Australian Government to work with the states and territories and their private sector partners to finance the construction or enhancement of major water infrastructure projects.

Our Operating Mandate states that these projects must be economically viable and support sustainable agriculture industries and the long-term growth and development of regional Australia. Any successful projects will be administered consistently with national water policy including the National Water Initiative and the Murray–Darling Basin Plan. The broader water governance and regulatory environment will also provide a backdrop to rolling out the loan facility.

Unlike farm loans, where we will work with individual applicants, our primary stakeholders in managing the loan facility will be state and territory governments. We will provide recommendations on water projects to the responsible Ministers and administer any approved loans. Industry proponents that are working with state and territory governments will also be key stakeholders.

The value of individual loans for these projects is considerably higher: a minimum of \$50 million (compared to farm loans). Loan terms may also be longer, reflecting the time frames required for major infrastructure projects.



3.2.2 RISKS

The main risk in delivering the water loans facility is that uptake may take some time. Water projects are complex, and it may be a while before applications are ready for assessment. Regulatory and planning approvals required to undertake water projects can be extensive and are outside our control. Projects require joint funding with state and territory governments, so a jurisdiction's capacity or willingness to invest in eligible projects could be a barrier.

Uptake of the loans is hard to project, both because of jurisdictional differences in priorities and the fact that there are a number of different loan products available in different states and territories.

3.2.3 CAPABILITIES

Many of the capabilities identified to deliver farm loans also apply to delivering the National Water Infrastructure Loan Facility.

We will need the skills base to assess and provide recommendations to responsible Ministers on the appropriateness and likely success of National Water Infrastructure Loan Facility applications. We will draw on internal and external expertise to assess which investments will make the biggest contribution to the facility's objectives and outcomes.

A clear statement and understanding of the respective roles and responsibilities of the RIC; the Department of Infrastructure, Regional Development and Cities; and the Department of Agriculture and Water Resources is critical to delivering the facility.

3.3 FUTURE PROGRAMS

The RIC Act makes provision for us to advise responsible Ministers on activities we could undertake and for responsible Ministers to direct us to deliver other programs in the future. Such directions would have to be factored into future corporate plans, including the need to ensure that we appropriately resource future programs and acquire the necessary expertise.

4

OUR STRATEGIC OBJECTIVES

Our strategic objectives for 2018 —19 are:



Establish our corporate capability

Building a capable and effective workforce in Orange, NSW, and meeting our corporate responsibilities



Raise awareness of the RIC and our products

Using evidence-based communication to strategically reach our key stakeholders



Use local networks to establish a national footprint

Building and maintaining effective partnerships across Australia, with a focus on regional outreach



Provide streamlined and nationally consistent products and services

Meeting our commitment to customers to deliver efficient and consistent services across Australia



Improve our products and services and explore new offerings

Responding to stakeholder needs by understanding emerging issues and trends and actively pursuing opportunities

Building a
capable and
effective
workforce in
Orange, NSW,
and meeting
our corporate
responsibilities



4.1 ESTABLISH OUR CORPORATE CAPABILITY

As a new entity, we are committed to building our corporate capacity and capability to meet our objectives, now and into the future. In 2018–19, we will focus on the capability of our people, physical and information infrastructure, and governance and accountability. We aim to build a flexible, supportive and diverse team and become an employer of choice.

4.1.1 ACTIVITIES

In 2018–19, our activities will include:

- appointing a permanent Chief Executive Officer (CEO)
- recruiting, and ensuring a smooth transition to, our permanent workforce
- establishing our office in Orange
- establishing our foundational information and communications technology (ICT) infrastructure
- consolidating our corporate governance and accountability arrangements, and meeting our requirements under relevant legislation.

4.1.2 PROGRESS

Since being appointed in March 2018, the Board has met more than ten times and has been actively engaged in all aspects of setting up the entity.

We appointed an acting CEO on 25 May 2018. In late June, we began our search for our permanent CEO, advertising nationally. We are looking forward to appointing a high-calibre candidate to lead the organisation.

We have begun the process to recruit our permanent workforce. We will run a national campaign to source suitably skilled staff for our head office in Orange. In the interim, we are supported by staff on secondment from the Department of Agriculture and Water Resources.

We have canvassed commercial real estate options for our office in Orange. We anticipate that our new headquarters will be ready before the end of the 2018 calendar year to coincide with the induction of our permanent staff.

We are implementing our foundational ICT services, including engaging key vendors and procuring devices and software. We have also put in place financial management and reporting systems.

We have made significant progress in developing and implementing our key accountability and reporting requirements under relevant legislation such as the PGPA Act. We have established essential policies and procedures relating to our corporate obligations such as health and safety, privacy, and human resources. Independent experts engaged to review our readiness found us to be well positioned to meet our legislative and other corporate obligations as a new corporate Commonwealth entity. This is an ongoing task and we are focused on implementing best practice.

Using
evidence-based
communication
to strategically
reach our key
stakeholders



4.2 RAISE AWARENESS OF THE RIC AND OUR PRODUCTS

It is critical to our success to increase awareness of the RIC and what we have to offer. To connect with our customers, we need to know and understand them better. Targeted research will inform our approach to communications.

We want our customers to know how to reach us now that we are open for business as the national administrator for farm loans. It is important that farmers know that more farm businesses will be eligible than ever before. We encourage farmers to contact us to find out more and not self-assess.

4.2.1 ACTIVITIES

In 2018–19, our activities will include:

- raising awareness about our loans with farmers and other important stakeholders through a range of activities including events, field days and information sessions
- targeted advertising to increase awareness of the RIC and its products in the areas most in need
- engaging with state and territory governments and industry to discuss potential water infrastructure projects
- market research to understand rural and regional community awareness, attitudes, views and perceptions to inform our longer term communication and engagement strategy, to ensure communication is targeted, evidence based and tailored to our audiences' expectations and needs.

4.2.2 PROGRESS

On 1 July 2018, we launched our website to coincide with opening for business—loan applications were available on day one. Our website provides user-friendly information about the RIC and guidelines for our farm investment loans, drought loans and water infrastructure loans.

There has been significant interest in the RIC since its launch. Our dedicated customer service hotline has been fielding enquiries and providing information about the RIC and our loan products. The website has also had substantial traffic.

A series of targeted awareness activities are planned for this year in key drought-affected areas in New South Wales and Queensland. We are working with the Rural Financial Counselling Service (RFCS) to deliver tailored information sessions to farmers' trusted financial advisors, including accountants, local banks and agribusiness consultants. This will be complemented by targeted print and online advertising in these locations to raise awareness of the RIC and its products among farmers more generally. We will apply what we learn from these activities, and from the market research that is underway, to our longer term communication planning.

Building and maintaining effective partnerships across Australia, with a focus on regional outreach



4.3 USE LOCAL NETWORKS TO ESTABLISH A NATIONAL FOOTPRINT

One of our key objectives is to support rural and regional communities across Australia. Australian agriculture is diverse, with different industries and regions affected by a range of climatic, market and other challenges. To stay in touch with current issues and events, we need local connections and links into existing trusted networks. Our partnerships with on-ground networks will be critical, so that we can share information about trends and emerging issues facing our customers and work together to grow a resilient agriculture sector.

4.3.1 ACTIVITIES

In 2018–19, our activities will include:

- establishing networks with the farming community and trusted advisors, including local accountants, agribusiness consultants, local banks and the RFCS
- developing relationships with state and territory governments and their industry partners for water projects
- keeping abreast of ongoing and emerging agriculture industry issues to manage demand for finance and ensure assistance is reaching those most in need
- engaging staff specifically for regional outreach and stakeholder engagement.

4.3.2 PROGRESS

Since opening, we have held numerous meetings with key stakeholders including the RFCS, national and state-based farming bodies, state government officials and industry groups to begin building partnerships and provide clear information on the RIC and our offering.

The RFCS plays an important role in assisting farmers to understand the options and support available to them, including RIC loans. We are taking every opportunity to engage with RFCS providers and their counsellors so that we can tap into this on-ground network and answer specific questions they have about our loans and application process.

Our planned targeted awareness activities from August to December 2018 are pitched at farmers' trusted financial advisers and regionally based state government networks. We are coordinating these activities in partnership with the RFCS and, where relevant, state government agencies.

We have started working with state and territory governments to make sure they are aware of the RIC's new role in administering the National Water Infrastructure Loan Facility and to understand what potential projects they may have. We are also engaging with private enterprises that are developing projects that, in partnership with the relevant state or territory government, may be suitable for a loan under the facility.

Meeting our
commitment to
customers to
deliver efficient
and consistent
services across
Australia



4.4 PROVIDE STREAMLINED AND NATIONALLY CONSISTENT PRODUCTS AND SERVICES

Our intention is to provide nationally consistent and streamlined Commonwealth finance supporting regional Australia. Our guiding values are fairness, consistency, efficiency and transparency in all our dealings with customers. For farm loans, our service delivery approach recognises the types of customers we have and the financial difficulties they may be facing. We provide personalised services to our customers as they apply for, receive and manage a RIC loan.

4.4.1 ACTIVITIES

In 2018–19, our activities will include:

- developing and publishing information for customers, continually improving information based on feedback
- developing and implementing national service standards for the delivery of our programs
- building expertise at the RIC and working with our service providers in assessing and managing loans appropriately with a customer focus
- growing a pipeline of water infrastructure projects.

4.4.2 PROGRESS

Our website went live on 1 July 2018. It provides user-friendly information about our products including eligibility requirements, potential loan uses, how to apply, and how we will assess applications for farm loans and water loans. The website also includes a national map which shows the areas where farms are eligible to apply for a drought loan. The map is static, based on 30 years of data, and covers over 95 per cent of the country.

Our dedicated customer service hotline provides ready access to consistent information about our products and services. The same people take queries from all around Australia, as the same loan guidelines apply to everyone.

For farm loans, we have engaged external service providers to help us assess and manage loans. We are working with them to ensure that they provide the services in a nationally consistent and streamlined manner over the life of the contract. We have developed service standards, which are published on our website, that outline our commitment to providing a personalised service to our customers. We will regularly review our service standards to ensure they meet the expectations of stakeholders.

We have set a low variable interest rate for each of our loan products, and are not charging any application fees or ongoing account management fees. No matter where our customers are located across Australia, they will receive the same rate and service. We have put in place a range of internal policies and procedures to ensure loans are assessed and managed consistently, efficiently, fairly and correctly.

Responding to stakeholder needs by understanding emerging issues and trends and actively pursuing opportunities



4.5 IMPROVE OUR PRODUCTS AND SERVICES AND EXPLORE NEW OFFERINGS

An important part of our role is understanding and actively responding to the needs of our stakeholders and to trends and emerging issues. As we move forward, we will further support rural and regional communities by working to improve our current products, finesse our service delivery, address eligibility gaps and seek to explore new offerings.

4.5.1 ACTIVITIES

In 2018–19, our activities will include:

- working closely with industry to monitor emerging issues and responding accordingly
- monitoring demand for products and identifying any barriers to uptake
- establishing partnerships with research institutions, technical experts and relevant government agencies to build our understanding of the issues affecting Australian farmers and how best to support the long-term resilience and growth of our agriculture sector.

Throughout the coming years, we will work to generate full utilisation of our products and services. We will monitor and evaluate the delivery of our products, observe trends and emerging issues, and receive feedback from our customers. As we understand our customers and their needs better, we will seek to improve and expand our products and services.

This may involve amending our guidelines or proposing new ideas to our responsible Ministers to address eligibility gaps and further support Australian farm businesses and rural and regional communities. This could include playing a role in key areas such as innovation, succession planning, climate change, risk management, preparedness, adaptation, resilience and mental health.

4.5.2 PROGRESS

We have established monitoring and evaluation plans and feedback mechanisms for our farm loans and water infrastructure loans. Information we gather may identify areas for improvement in our current products and services, as well as potential targeting of our future products. We are committed to increasing efficiency but do not want to compromise on service quality.

We are engaging with the state and territory governments to understand any barriers to uptake of water infrastructure loans. This may lead us to make recommendations to the responsible Ministers to address barriers identified and make the water facility more accessible.

We are exploring options to partner with universities, other research institutions and other experts who could provide advice from a cross-section of industries and stakeholders on issues affecting farm businesses and strategies to support future farm sector growth and resilience. We have met with the Australian Bureau of Agricultural and Resource Economics (ABARES) to discuss options for regular briefing on issues affecting Australian agriculture.





5

MEASURING OUR PERFORMANCE

Our 2018–19 annual performance statements will report on our performance in delivering farm loans and water infrastructure loans.

This corporate plan sets out our performance measures for corporate establishment and the initial performance framework for delivering farm loans and water infrastructure loans.

We have established monitoring and evaluation plans for our farm loans and water infrastructure loans. We expect the performance framework to evolve over time as we build experience in delivering our business.

5.1 SOURCES

There are a number of information sources we may draw on to monitor performance, including:

- **Operational data**—reporting on loan enquiries, assessment, approvals and management. This data will also capture details about our loan portfolio such as loan amounts, farm business loan uses and the agriculture industries our loans are supporting.
- **Water infrastructure loan project reports**—states and territories are required to provide progress and milestone reports as part of water infrastructure loan agreements.
- **Surveys of farm loan recipients**—loan recipients may be asked to participate in surveys during their loan term. The surveys will be focused on assessing the short-, medium- and long-term impacts of the loan on their farm business and the customer's experience with the RIC. These surveys may identify areas for improvement of our current products as well as potential targeting of our future products.
- **ABARES analysis**—ABARES holds a range of data such as statistics on local investment and business growth, local population, infrastructure, and changes in water use. ABARES also provides assistance with survey design and sector/region specific analysis.
- **Feedback provided by stakeholders and the public**—including through correspondence, our dedicated customer service hotline, the responsible Ministers, the Department of Agriculture and Water Resources, and the Department of Infrastructure, Regional Development and Cities.



5.2 PERFORMANCE MEASURES

5.2.1 PERFORMANCE MEASURES—CORPORATE ESTABLISHMENT

Table 1 Performance measures—corporate establishment

| MEASURE | TARGETS | | | |
|---|---|---------|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| Build and sustain a capable workforce supported by suitable systems | Recruitment of a workforce with appropriate expertise to allow us to deliver our corporate and program functions | | | |
| | Establishment of ICT systems that meet our business needs | | | |
| Develop a safe and healthy workplace | Our office is established in accordance with legislated safety and security requirements | | | |
| | Our human resources policies meet legislated work health and safety requirements | | | |
| Establish frameworks and procedures to meet our corporate legislative obligations | Our corporate frameworks, policies and procedures are in place, comply with our legislative obligations, and are appropriate for our size and functions | | | |



5.2.2 PERFORMANCE MEASURES—DELIVERING LOANS

Table 2 Performance measures—delivering loans

| MEASURE | TARGETS | | | |
|---|---|---|---------|---------|
| | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
| All eligible farm businesses have access to farm business loans | Establishment of a nationally consistent delivery model | Delivery channels ensure timely and accurate access to information and assessment for all eligible farm businesses | | |
| Farm businesses improve their circumstances through access to concessional financial assistance | \$250 million is made available to eligible farm businesses in need to improve their circumstances | | | |
| The water loan facility is available to states and territories | No days are lost in the transfer of the administration of the loan facility to RIC | States and territories have timely and accurate access to information and assessment of water infrastructure projects | | |
| Greater capacity for regional and economic growth, water security and affordability and irrigation and agriculture | States and territories can co-invest in projects | | | |
| | Approved water infrastructure projects complement the outcomes of the Murray–Darling Basin Plan, where relevant | | | |
| | Approved water infrastructure projects are in accordance with the National Water Initiative | | | |
| Loan monies (farm business loans and water loans) are disbursed and received accurately and in line with contractual and legislative requirements | 100 per cent | | | |



6

GOVERNANCE

6.1 RISK OVERSIGHT

Our Enterprise Risk Management Framework is being developed in line with the requirements of the Commonwealth Risk Management Policy. Risk management is important for any entity, but more so given the finance lending and complex advisory nature of our business. We build risk management into all of our governance, planning and performance management processes. The Board, as the accountable authority, is responsible for monitoring and managing the RIC's risk profile, with advice from the Audit Committee and CEO.

6.1.1 RISK APPETITE

The RIC faces a range of risks, reflecting its responsibilities as a service provider and policy adviser. These include risks in our core business areas of farm business lending and complex water infrastructure project advice as well as in our corporate and governance functions.

We recognise that it is not possible or desirable to eliminate all of the risks inherent in our work. Accepting some degree of risk in our business practices, for example, promotes efficiency and innovation. In other areas, however, particularly the financial risk to the farm businesses we support, the level of risk we are willing to accept is very low.

Our Risk Appetite Statement will describe our attitude towards risk-taking. It will provide our staff with a clear understanding of the thresholds of risk that the RIC is willing to accept to achieve particular objectives or within a certain area of the organisation.

This allows staff to manage functions and make informed decisions that are innovative and effective, yet within clear boundaries.



6.2 GOVERNANCE STRUCTURES

6.2.1 RIC BOARD

The RIC Board is established under the RIC Act to:

- decide on the strategies and policies to be followed, within the scope of the Operating Mandate provided by the responsible Ministers
- ensure the proper, efficient and effective performance of the RIC's functions
- sign agreements, on behalf of the Commonwealth, with states or territories for grants of financial assistance for water infrastructure projects
- appoint the CEO
- perform any other functions conferred on it by the RIC Act or other legislation, which would include any additional functions needed to administer additional programs as directed by the responsible ministers.

6.2.2 ASSURANCE

Our Audit Committee, reporting to the Audit Committee Chair, provides independent assurance and advice to the Board about our risk, performance, internal audit program, and compliance framework.

This will help the Board meet its obligations for financial reporting, performance reporting, risk management, internal controls, and compliance with relevant laws and policies, including the RIC Act and the PGPA Act.

External service providers, reporting to the Audit Committee, will undertake internal audits independently of the CEO and business areas to evaluate the effectiveness of controls and management functions.

The Australian National Audit Office audits our annual financial statements and our performance.

6.2.3 SECURITY

Our Protective Security Control Plan will provide the framework for preventing, deterring and detecting security risks. It will be developed in accordance with guidance and standards contained in the Australian Government's Protective Security Policy Framework. We plan to conduct security-focused risk assessments biennially.

As we recruit staff, they will complete security training in recognising security vulnerabilities, applying security protocols and reporting security incidents. Staff will be required to obtain and maintain an appropriate security clearance where necessary.

We report annually on our compliance with the Protective Security Policy Framework to the Attorney-General's Department and other key stakeholders.

6.2.4 FRAUD CONTROL

We promote a strong culture of integrity, with zero tolerance for fraud and corruption. All staff will be expected to demonstrate high standards of professionalism, integrity and ethics. All staff will undertake training on understanding, recognising and reporting fraud and corruption. We report annually on our fraud management to the Australian Institute of Criminology.

Our Fraud and Corruption Control Plan will provide a comprehensive framework for identifying, deterring, detecting, investigating and reporting fraud and corruption and meeting broader government obligations. We will undertake fraud and corruption risk assessments biennially to identify risks, treatment strategies, responsibilities, target dates and reporting obligations.







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