

# RISK

## MANAGEMENT POLICY | PUBLIC VERSION



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### 1 PURPOSE

The purpose of the Risk Management Policy (the Policy) is to enable an integrated approach to risk management through:

- The Authority's commitment to core risk management principles;
- Defining responsibilities for the application of risk identification, assessment, evaluation and treatment programs across the Authority's operations;
- A Risk Management Framework ("the Framework") that provides the tools and programmes to underpin the Authority's approach to achieving a balance between the costs of managing a risk and the anticipated benefits.

The management of risk will be integrated into the Authority's governance structures, including decision making. Risk Management leads to the successful achievement of the Authority's Vision, Strategic Plan Objectives and community expectations.

To achieve the objectives of the Policy, the Framework has been developed.

### 2 POLICY STATEMENT

The Authority is committed to maintaining and applying governance and risk management principles to ensure that any impacts to strategic and business objectives are considered and analysed.

The Authority will adopt and implement a systematic approach to identify, assess, evaluate and treat (mitigate) risks. The risk management program involves identifying opportunities to ensure the Authority achieves its strategic goals whilst recording and managing its operational risks.

Management will lead, actively participate and have complete oversight over all aspects of risk management within their areas of responsibility.

The Authority will maintain the Framework consistent with the guidelines and principles of risk management as set out in the International Standard ISO31000:2018 – Risk Management Guidelines, with the goal of providing a consistent approach for dealing with uncertainties likely to impact on the achievement of the Authority's Vision.

The risk register(s) will be periodically and consistently reviewed in accordance with set timeframes identified in the Framework.

### 3 PERFORMANCE MEASURES

The performance of the risk management program will be measured through three distinct categories:

- Compliance with the Policy and related documentation
- Value add to the whole of the Authority
- Maturity of the Authority's Risk Culture

### 4 LEGISLATIVE REQUIREMENT AND POLICY CONTEXT

Section 125 of the Local Government Act 1999 ('LG Act') requires Councils to ensure that appropriate policies practices and procedures of internal control are implemented and maintained in order to assist Council to carry out its activities in an efficient and orderly manner to achieve its objectives.

Section 132A of the LG Act requires Councils to ensure that appropriate policies, practices and procedures are implemented and maintained in order to ensure compliance with statutory requirements and achieve and maintain standards of good public administration.

Section 134(4) (b) of the LG Act requires Councils to adopt risk management policies, controls and systems.

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### 5 DEFINITIONS

Definitions are outlined within the Framework.

### 6 ROLES & RESPONSIBILITIES

#### Board of Management

Endorse the Risk Management Policy.

Consider recommendations from Audit Committee regarding the effective use of the risk management framework.

Ensure there is consideration of risks and opportunities as part of decision making.

#### Audit Committee

The Audit Committee is responsible for overseeing that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the Authority to carry out its activities in an efficient and orderly manner to achieve its objectives, to ensure adherence to management policies, to safeguard the Authority's assets and to secure (as far as possible) the accuracy and reliability of Authority records.

Recommend to Board the Risk Management Policy.

Ensure the Risk Management Framework is implemented appropriately and delivers systematic risk processes across the organisation.

Keep under review the Authority's high risks.

Make recommendations to the Board regarding risk management and audit outcomes.

Meet confidentially with the Council's external Auditor.

#### Executive Officer (EO)

The EO has the responsibility for ensuring that:

- The framework is established and implemented;
- Promote a culture of risk awareness;
- Ensure risk management is integrated into the Authority's activities and functions;
- Reporting the status of the Authority's risk profile and mitigation strategies to the Audit Committee; and
- Ensuring risk information is considered in business planning, performance management and other key management processes;

#### Management and Operations Committee (M&O)

Members of the Management & Operations Committee are responsible for assisting the EO with:

- Commitment to promotion of this Policy and the Framework whilst monitoring the Authority's overall risk profile and controls;
- The implementation, management and evaluation of risk management, in accordance with the Policy and Framework within; and
- Ensuring that risk based information is recorded in the Authority's Risk Register.

#### Risk Management Team (Management, Finance & Admin)

The Risk Management Team is responsible for:

- Implementing and maintain the risk management framework and program in a systematic and standardised manner;
- Undertaking the risk management program as per the requirements of the Policy and Framework;

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- Development and maintenance of a Risk Register(s) that records reasonably foreseeable Operational and Strategic risks, including risk mitigation strategies;
- Assisting the EO in development and compilation of reports relating to the Authority's risk profile and mitigation strategies; and
- Monitor high risks and report actions to treat these risks.

### Managers

- Promote the Risk Management Framework and a proactive risk management culture;
- Ensure the identification and management of risks is an integral part of Authority business/operations;
- Review quarterly the Operational Risk Register and associated action plans for their Departments;
- Ensure the EO is made aware of risks and what controls are in place to mitigate risks;
- Ensure that risks are identified, assessed and managed in accordance with the Authority's Risk Management Framework on an ongoing basis;
- Ensure that Risk Assessments are undertaken for all required projects, initiatives and activities;
- Ensure that employees are risk aware and promote a positive risk culture;
- Ensuring risk information is considered in business planning, performance management and other key management processes;
- Monitoring and report any significant risk exposure to the EO; and
- Supervising contractors to ensure they adhere to the Authority's Risk Management Framework.

### Work Health and Safety Committee

- Work co-operatively with Managers to ensure there are measures to monitor workers safety;
- Review and develop policies and procedures to ensure workers safety;
- Promote workers interest in safety;
- Monitor legislative changes, performance and improvement plans.

### Employees, Volunteers and Contractors (Workers)

All Authority Workers are responsible for:

- Identifying, evaluating and managing risks in their daily activities and projects;
- Adhering to the requirements of the Authority's risk management policy and framework;
- Contribute to the identification, assessment, and management of risks; and
- Ensure early, quick and clear escalation of remediation of risks.

## 7 REVIEW

This Policy shall be reviewed and approved by the Board every five years or more frequently if required.