



Council Policy RISK MANAGEMENT

Corporate Plan Reference:	<i>A Sustainable Council</i>
Endorsed by Council:	28 August 2014
Policy Author:	Executive Manager

POLICY BACKGROUND

Enterprise risk management emerges from Council's intent to effectively manage risks that may have an impact on the achievement of strategic priorities, operational goals and project objectives as defined in Council's Corporate and Operational Plans.

The purpose of this policy is to ensure the effective and efficient assessment, evaluation and treatment of Council's operational and strategic risks and opportunities.

This policy aims to establish the integration of risk management practices and procedures into all organisational processes and applies to all Councillors, Council officers and contractors.

An important component of Council's culture is that risk and opportunities are considered part of normal business activity and that risks should be managed within a context of competing resources, financial and community priorities.

This policy is formulated to meet the requirements of Sections 164 (1) (a) and (b) of the *Local Government Regulation 2012* regarding the requirement to keep a written record stating risks the local government's operations are exposed to, the extent they are relevant to financial management; and the control measures adopted to manage risks. This policy also adheres to the AS/NZS ISO 31000:2009 Risk management-principles and guidelines.

POLICY OBJECTIVES

The objectives of this policy are to:

- Outline Council's approach to enterprise risk management;
- Clarify responsibilities of Councillors, senior management, officers and contractors;
- Improve decision-making, accountability and outcomes through the effective use of risk management;
- Integrate risk management into daily operations of the Council;
- Contribute to the achievement of strategic priorities as specified in Council's Corporate Plan;
- Enhance corporate governance by promoting a structured and systematic approach to Council's decision making processes; and
- Promote a proactive approach to handling and monitoring emerging new risks /opportunities.

KEY ROLES AND RESPONSIBILITIES

This policy applies to all Council activities and all Council officers and contractors involved in and with responsibility for contributing towards the achievement of Council’s objectives, asset management and reporting responsibilities. Risk management is the responsibility of everyone in Council.

A risk management framework will indicate the specific accountabilities and responsibilities related to the enterprise risk management process and to provide an organised approach to managing risks within the local government environment.

Council & Senior Management Responsibilities:-

- Provide strong leadership and be visible role models
- Build a transparent and dynamic risk and opportunity culture within the Council
- Integrate risk and opportunities at all levels of the organisation
- Empower employees to be proactive in the Risk Management process
- Recognise outstanding management of risks and opportunities

Employees & Contractors Responsibilities:-

- Ensure that Risk Management practices and processes are applied in work areas and regularly reviewed and monitored
- Maintain an awareness of current and potential risks and opportunities, particularly in their area of expertise and industry
- Ensure that Risk Management reporting is appropriately undertaken
- Advise their Managers of any risk and opportunity issues

RELEVANT LEGISLATION

Local Government Act 2009

AS/NZS ISO 31000:2009 Risk management-principles and guidelines.

Version control:

Version	Reason/ Trigger	Change (Y/N)	Endorsed/ Reviewed by	Date
1.0	Create new		Executive Manager	13/08/2014
	Eg. Review			