

POLICY NAME: RISK MANAGEMENT
POLICY REF: R02
MEETING ADOPTED: 22 February 2024
Resolution No. 220224/12
POLICY HISTORY: 230120/14; 240316/22; 241111/22;
250107/20



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PURPOSE

The purpose of this policy is to express Council's commitment to implementing organisation-wide risk management principles, systems and processes that ensure the consistent, efficient and effective assessment of risk in all of Council's planning, decision-making and operational processes.

OBJECTIVES

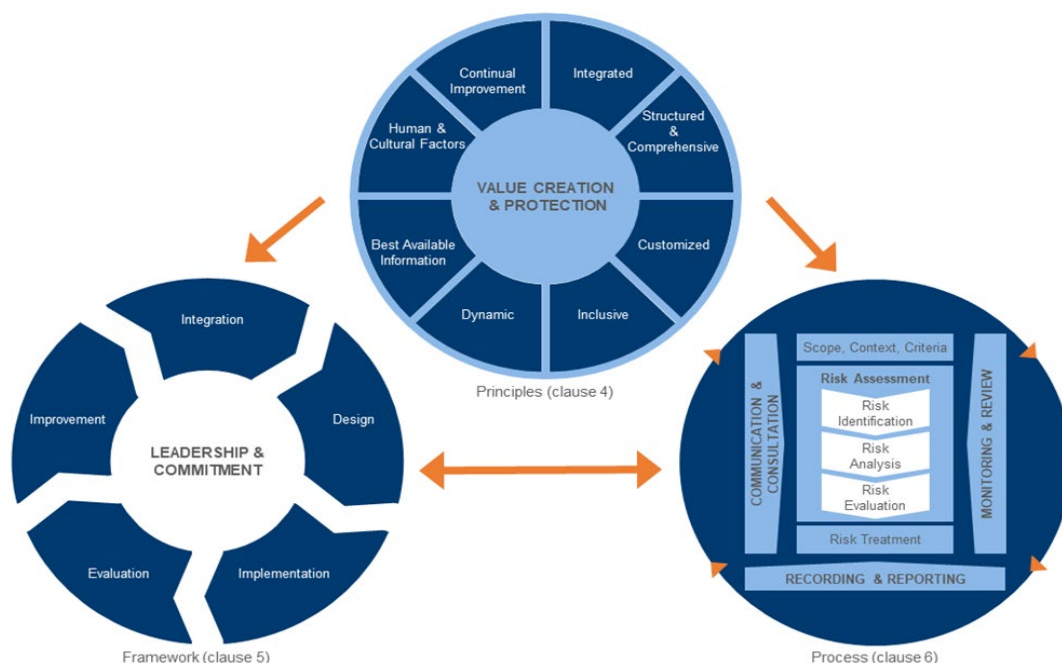
The policy will establish the systems and processes required to manage the risks involved in the Council's activities so as to maximise opportunities and minimise negative outcomes. The objectives of Council's risk management activities are to:

- Maintain the highest possible integrity for services provided by the Council
- Create an environment where all Council employees understand and accept the importance of risk management
- Improve incident management and reduction in loss and the cost of risk
- Achieve a more confident and rigorous basis for decision making and planning
- Improve the Council's ability to be proactive rather than reactive in risk management
- Improve compliance with relevant legislation
- Demonstrate better corporate governance through transparent and responsible risk management processes aligned with accepted best practice standards and methods
- Integrate risk management into decision making processes, and
- Ensure Council's business continuity management remains contemporary and supports the organisation's resilience during a disruptive incident.

POLICY

1. RISK MANAGEMENT PROCESS

Council's risk management process is based on the current AS/NZ and ISO 31000:2018 – Risk Management - Guidelines. The diagram below summarises the process:



AS ISO 31000:2018, Figure 1 – Principles, framework and process

2. RISK MANAGEMENT FRAMEWORK

Council provides critical services and infrastructure to the residents, ratepayers and visitors to Ballina Shire. Council also has service agreements and contractual obligations with government and non-government agencies and organisations and has its own strategic goals and objectives that it seeks to achieve on behalf of the community.

It is therefore incumbent on Council to understand the internal and external risks that may impact the delivery of these services, contracts and strategic objectives and have processes in place to identify, mitigate, manage and monitor those risks to ensure the best outcome for Council, staff and the community. It is also our responsibility to ensure the efficient, effective and ethical use of resources and services by ratepayers, residents, staff and visitors.

Council has developed a risk management framework consistent with the Australian standard to assist it to identify, treat, monitor and review all risks to its operations and strategic objectives and apply appropriate internal controls.

Council is committed to the principles, framework and process of managing risk as outlined in the Australian standard and commits to fully integrating risk management within Council and applying it to all decision-making, functions, services and activities of Council in accordance with our statutory requirements.

3. RESPONSIBILITIES

Council aims to create a positive risk management culture where risk management is integrated into all everyday activities and managing risks is an integral part of governance, good management practice and decision-making. It is the responsibility of every staff member and business area to observe and implement this policy and Council's risk management framework.

All staff are responsible for identifying and managing risk within their work areas. Key responsibilities include:

- being familiar with, and understanding, the principles of risk management
- complying with all policies, procedures and practices relating to risk management
- alerting management to risks that exist within their area, and
- performing any risk management activities assigned to them as part of their daily role.

Risk management is a core responsibility for all senior staff/management at Council. In addition to their responsibilities as staff members, senior staff/management are responsible for:

- ensuring all staff manage their risks within their own work areas. Risks should be anticipated, and reasonable protective measures taken
- encouraging openness and honesty in the reporting and escalation of risks
- ensuring all staff have the appropriate capability to perform their risk management roles
- reporting to the general manager on the status of risks and controls, and
- identifying and communicating improvements in Council's risk management practices to Council's risk management function.

Council's risk management function is available to support staff in undertaking their risk management activities.

To ensure Council is effectively managing its risk and complying with its statutory obligations, Council's audit, risk and improvement committee and internal audit function is responsible for reviewing Council's:

- risk management processes and procedures
- risk management strategies for major projects or undertakings
- control environment and insurance arrangements
- business continuity planning arrangements, and
- fraud control plan.

3.1 Internal Risk Management Group

The General Manager will ensure employee representatives from across the organisation meet regularly, through a risk committee or similar group, to implement risk management actions throughout the organisation. The General Manager, or nominee, will chair these meetings.

A Risk Management Action Plan will be developed to guide the implementation of risk management activities.

The General Manager in conjunction with the Internal Risk Management Group is responsible for overseeing the implementation of the Risk Management Action Plan and determining an acceptable level of risk for the Council and monitoring the Council's overall risk profile and mitigation strategies.

Resourcing will be provided to implement risk management throughout the organisation in line with available resources.

Council's Coordinator Risk Management provides support to senior management and the Internal Risk Management Group with the establishment of Council's risk management systems and processes, the development of information and training tools and templates, auditing and compliance, maintaining a risk register, reporting and maintenance of the Risk Management Action Plan.

BACKGROUND

Council recognises that risk management is an integral part of good management practice and fully supports risk management as an integral element in its governance processes. Council will adopt a risk management approach consistent with Australian Standards in their planning, approval, review and control processes.

DEFINITIONS

Risk	effect on uncertainty of organisational strategic and operational objectives such as financial, health and safety and environmental.
Risk Management	coordinated activities to direct and control an organisation with regard to risk.

SCOPE OF POLICY

- All Council employees
- Elected representatives

- Volunteers
- Contractors (person conducting a business or undertaking)

RELATED DOCUMENTATION

- AS/NZS ISO 31000:2018 Risk Management – Guidelines
- Risk Management Framework
- NSW Civil Liability Act 2002
- Local Government Act 1993

REVIEW

This policy shall be internally reviewed annually. If no changes, no action required. If any changes, policy must be submitted to Council for endorsement. Policy must be reviewed and submitted to Council every four years.