# Risk Management Policy

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| **Policy Reference Number:** | 3.1 |
| **Classification:** | Risk Management |
| **First Issued/Approved:** | March 2005 (Res 243/2005) |
| **Review Frequency:** | After the general election – every 4 years |
| **Last Reviewed:** | 9 August 2011 (Res 25/2012)<br>13 January 2015 (Res 269/2015) |
| **Next Review Date:** | February 2019 |
| **Responsible Officer:** | Chief Executive Officer |
| **Applicable Legislation:** | *Local Government Act 1999* |
| **Relevant Policies:** | |
| **Related Procedures:** | |
| **Compliance Standard:** | Section 123 Local Government Act |

## Purpose
The District Council of Robe is committed to a policy of Risk Management to protect its employees, assets, liabilities and its community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise the opportunities to achieve:

District Council of Robe Vision:
*"The District Council of Robe will be a vibrant, harmonious and prosperous place to live, work and visit.*

## Principles
The aim of this Framework is the development of an organisational ethos and operating culture, which achieves the integration of systemic Risk Management processes into all management activities, both strategic and operational level.

Council will maintain risk management practices and a Risk Management Framework consistent with the guidelines and principles of risk management as set out in the Australian Risk Management Standard ISO 31000.

Council will be mindful of the need to achieve a balance between the costs of managing risk and the anticipated benefits with a view to maximising opportunities and minimising negative outcomes.

The risk management policy will apply to all activities undertaken by Council, its employees, volunteers and contractors.

## Risk Register
Council will maintain a risk register that will record a description of the risk, a risk matrix [severity; probability; exposure; likelihood] assessment, current control measure in place, residual risk and risk reduction action.

## Risk Management Process
The risk management process to be undertaken will include the following elements:

### Establish the context

The goals, objectives, strategies, scope and parameters of the activity, or part of the Council organisation to which the risk management process is being applied will be defined.

**Identifying risks**
There will be an identification of what, why and how things can arise as the basis for further analysis.

**Analyse risks**
The existing controls will be determined and the risks will be analysed in terms of consequence and likelihood in the context of those controls. The analysis will consider the range of potential consequences and how likely those consequences are to occur. Consequence and likelihood may be combined to produce an estimated level of risk.

**Evaluate risks**
The estimated levels of risk will be compared against pre-established criteria. This will enable risks to be ranked so as to identify management priorities. If the levels of risk established are low, then risks may fall into an acceptable category and control measures may not be required.

**Treat Risks**
Medium and low priority risks will be accepted and monitored by routine inspection and/or audit. For other risks a specific action plan will be developed and implemented in accordance with available funding

**Monitor and Review**
Performance of the risk management system will be monitored by routine audit and reviewed to take account of any changes which might impact it.

**Communicate and Consult**
Communication and consultation with internal and external stakeholders will occur as appropriate at each stage of the risk management process.

## Emergency Risk Management Framework
Council maintains a Business Continuity Plan to assist the organisation to manage potential catastrophic events that may pose a risk to business continuation and is a member and participant of the Limestone Coast Zone Emergency Management Committee that manages national, state or regional catastrophic events.

## Risk Management Responsibilities
Management and staff are to be familiar with, and competent in, the application of Risk Management principles and practices, and are accountable for applying them within their areas of responsibility. Specific responsibilities are as follows:

**Chief Executive Officer**
The Chief Executive is responsible for risk management across the Council and is responsible for ensuring that a risk management process is established, implemented and maintained in accordance with this Risk Management Policy.

**Executive Officers, Managers and Supervisors**
Executive Officer, Managers and Supervisors have responsibility for developing a proactive culture across Council. Specifically, they are responsible for developing, implementing, maintaining and evaluating the Risk Management Policy, practices and procedures, in their areas of responsibility and creating an environment where each staff member is responsible for and actively involved in managing risk.

**Employees**

Employees are responsible for and should be actively involved in identifying and managing risk in day to day activities and projects. Specifically:

- Recognising the importance and value of risk management and the ongoing benefits to the community.
- Being committed to Council's adopted policy on risk management to protect employees, councils assets and liabilities and the community against potential losses
- Being committed to identifying and evaluating threats that present from time to time
- Reporting to senior members of staff any issue that may give rise to a claim and objectively document observations
- Carrying out the services of council with a commitment to due diligence.

**Audit Committee**
The Audit Committee is responsible for monitoring and reviewing the performance of Council's Risk Management Program. Regular reporting on risk management activities will be provided to the Council via the Audit Committee.

## Definitions
Definitions for the purpose of this policy are:

**Risk**
Risk is the chance of something happening that will have an impact upon objectives. Risk may arise from an event an action or a non-action. It is measured in terms of consequences and likelihood.

**Risk Management**
Risk management is the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effect.

**Risk Rating**
Is the rating of risk based on an assessment matrix of: severity; probability; exposure; and likelihood.

**Risk Management Process** involves the systematic application of management the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.

**Risk Treatment**
The selection and implementation of appropriate control and management options to mitigate identified risks.

**Employee**
Any person who is in employed by Council in any manner at any location of the Council and includes agency staff, consulting staff, volunteers and consultants.

## Review & Evaluation
This policy will be reviewed after each general election of Council. The Chief Executive will ensure that a draft policy with changes highlighted will be circulate amongst staff for comment before being presented to the Audit Committee which will consider the final draft policy and recommend to the Chief Executive the adoption of the draft policy.

This process shall be undertaken whether or not any changes are proposed to the policy.

**Availability of Policy**
This Policy will be available for inspection at the Council office during ordinary business hours and via the Council's website www.council.robe.sa.gov.au. Copies will also be provided to the public upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

## FURTHER INFORMATION

This policy will be available for inspection at the Council offices listed below during ordinary business hours and available to be downloaded, free of charge, from Council's internet site: www.robe.sa.gov.au

Royal Circus, Robe SA 5276

Copies will be provided to interested parties upon request. Email council@robe.sa.gov.au

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.

## POLICY REVIEW

This policy may be amended at any time and must be reviewed at least every four years since its adoption (or latest amendment).