



# Risk Management Policy

<b>Classification</b>	Policy
<b>Reference number</b>	
<b>Strategic reference</b>	Goal 4 Organisational : Effective governance and organisational efficiencies
<b>Relevant legislation</b>	Local Government Act 1999
<b>Relevant documents</b>	AS/NZS ISO31000:2009 Risk Management – Principles and Guidelines ISO31000:2018 Risk Management - Guidelines Southern Mallee District Council Risk Management Framework Local Government Act 1999 Work Health and Safety Act 2012 Civil Liabilities Act 1936
<b>Responsible officer</b>	Manager Corporate Services
<b>Previous review date</b>	12/07/16
<b>Date adopted</b>	Nov 2018
<b>Next review date</b>	July 2020

## 1. Purpose

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

- Southern Mallee District Councils commitment to core risk management principles;
- Defining responsibilities for the application of risk identification, assessment, evaluation and treatment programs across Council operations;
- A Risk Management Framework (“the Framework”) that provides the tools and programs to underpin Council’s approach to achieving a balance between the costs of managing a risk and the anticipated benefits.

1.2. The management of risk will be integrated into Council’s governance structures, including decision making. Risk Management leads to the successful achievement of Council’s Vision, Strategic Management Plan Objectives, Long Term Financial Plan, Asset Management Plans, Annual Business Plan and Budget and overall community expectations.

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

## 2. Policy statement

2.1. Council 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.

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

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



# Risk Management Policy

- 2.4. Council 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 Council's vision.
- 2.5. The risk register 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 Council
- Maturity of Council's risk culture

## 4. Legislative requirement and policy context

- 4.1 Section 125 of the Local Government Act 1999 ('LG Act') requires Council to ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the Council to carry out its activities in an efficient and orderly manner to achieve its objectives.
- 4.2 Section 132A of the LG Act requires Council 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.
- 4.3 Section 134(4) (b) of the LG Act requires Council to adopt risk management policies, controls and systems.

## 5 Definitions

Definitions are outlined within the Framework

## 6. Roles & responsibilities

### 6.1 Council

Council is responsible for the approval of this Policy and overseeing the systematic approach to managing risk across Council operations.

### 6.2. Audit Committee

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

### 6.3 Chief Executive Officer (CEO)

The CEO has the responsibility for ensuring that:

- the framework is established and implemented and
- risk management is integrated into Council's activities and functions.

### 6.4 Executive Team (ET)

Members of the Executive Team are responsible for:

- approval of the framework and commitment to promotion of the Policy and the Framework whilst monitoring Council's overall risk profile and controls;
- reporting the status of Council's risk profile and mitigation strategies to the Audit Committee;



# Risk Management Policy

- The implementation, management and evaluation of risk management, in accordance with the Policy and Framework within their areas of responsibility;
- Undertaking the risk management program as per the requirements of the Policy and Framework;
- Ensuring that risk based information is recorded in Council's Risk Register.
- Development and maintenance of a Risk Register that records reasonably foreseeable Operational and Strategic risks, including risk mitigation strategies; and
- Development and compilation of reports relating to Council's risk profile and mitigation strategies.

## 6.5 Employees, volunteers and contractors (workers):

All Council workers are responsible for:

- Identifying, evaluating and managing risks in their daily activities and projects;
- Adhering to the requirements of Council's risk management Policy and Framework.

## 7 Availability

7.1 The Policy will be available on Council's web site.

7.2 The policy will also be available within Skytrust

7.3 The Framework is available to Council employees on Council's Internal WHS & Risk Management Network Drive.

## 8 Policy Review

8.1 The effectiveness of this policy will be reviewed every three years or as necessary.

### Review History

Document History	Version No:	Issue Date:	Description of Change
	1.0	14/01/2014	New Document 1 <sup>st</sup> Draft
	2.0	12/07/2016	Change in likelihood table and adoption of policy
	3.0	September 2018	Review and update of policy with LGRS Strategic Risk Team and CEO
	3.0	21/11/2018	Update adopted by Council

## 9 Further Information

9.1 This document is available on Council's website [www.southernmallee.com.au](http://www.southernmallee.com.au) and at the principal office of the Southern Mallee District Council at Day Street, Pinnaroo SA 5304.  
A copy of this document may be purchased from Council.