SOUTH GIPPSLAND SHIRE COUNCIL

COUNCIL POLICY

RISK MANAGEMENT POLICY

Policy No.	C35
Adoption Date	24 February 2021
Review Date	February 2025
Department	Performance & Innovation - Governance

1.   PURPOSE

The purpose of the Risk Management Policy (the Policy) is to clearly set out Council's approach and commitment to establishing and maintaining an effective risk management culture across the organisation in accordance with the principles and guidelines set out in the International Risk Management Standard AS/NZS ISO 31000:2018.

2.   POLICY PRINCIPLES

Council is committed to proactive risk management by establishing a risk management framework that supports culture by applying a logical and systematic method for identifying, assessing, treating and monitoring risks and ensuring that the organisation is able to achieve its long-term objectives.

2.1.   Council demonstrates its commitment to risk management in a number of ways. In particular, Council has:

2.1.1.   Adopted the risk management processes as set out in the International Risk Management Standard AS/NZ ISO 31000:2018 which documents the principles, framework and process for achieving best practice in risk management.

2.1.2.   Implemented and maintained a structured reporting process that enables all staff to identify, assess, treat and monitor risks across the organization.

2.1.3.   Developed and maintained Strategic and Operational Risk Registers to record its risks and monitor the effectiveness of corresponding treatment plans.

2.1.4.   Trained staff, Councillors, Audit & Risk Committee members, contractors and volunteers to promote the development of risk management skills and awareness.

2.1.5.   Ensured that risk management is effectively embedded into Council's Corporate Planning processes.

2.2. Risk Management Framework

2.2.1.   This Policy should be read in conjunction with Council's Risk Management Framework which sets out Council's processes in relation to the identification, assessment, treatment and monitoring of risk.

For further information, please refer to Council's [Risk Management Framework.](#)

2.3. Conflicts of Interest

2.3.1.   Council manages conflict of interest via a number of reporting mechanisms including but not limited to its Ethics and Compliance Program, Audit & Risk Committee Charter, Councillor Code of Conduct and Staff Code of Conduct.

3.   RISK ASSESSMENT

An inadequate approach to risk management exposes Council and the community to unacceptable levels of injury, loss and damage and can impede the organization from achieving its objectives as set out in the Council Plan. Effective risk management helps to promote innovation and excellence in the delivery of facilities and services to the community and forms an integral part of Council's decision-making processes.

4.   IMPLEMENTATION STATEMENT

4.1. Publication of Policy

4.1.1.   This Policy will be published on Council's website.

4.2. Roles and Responsibilities

4.2.1.   The identification and management of risk is the responsibility of all staff, Councillors, Audit & Risk Committee members, contractors and volunteers.

4.2.2.   Council is committed to making the necessary resources available to assist those accountable and responsible for managing risk.

5.   MONITORING, EVALUATION AND REVIEW

5.1.   The responsibility and implementation of the Policy rests with the *Audit & Risk Team* of the *Performance & Innovation Directorate*.

5.2.   This Policy will be reviewed internally annually and adopted by Council on a 4 year cycle, or earlier if required.

5.3.   Risk management performance is measured and reported in a number of ways including:

5.3.1.   By undertaking risk assessments and recording risks for key operations, projects and strategies on a regular basis.

5.3.2. By monitoring internal risk management processes and the treatment of specific risks.

5.3.3. Through quarterly reporting of risk management to the Executive Leadership Team and Audit & Risk Committee.

5.3.4. By ensuring that strategic risks are reported to the Audit & Risk Committee and Council.

5.3.5. Through reporting from the Audit & Risk Committee to Council, including minutes from meetings and reports from the Committee Chair.

5.3.6. By effectively responding to internal and external audit recommendations.

6.   DEFINITIONS

Risk	Means the effect of uncertainty on objectives.
Risk Management	Means the coordinated activities to direct and control an organisation with regard to risk.
Risk Management Framework	Means a set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

7.   REVISION HISTORY

Version	Approved By	Approval Date	Sections Modified	CM9 ref
1.0	Council	23 May 2012	New Policy	D8202014
1.1	Council	22 March 2017	Review	D2665617
1.2	Council	27 February 2019	Review	
1.3	Council	24 February 2021	Review	D2437821