



TITLE: RISK MANAGEMENT POLICY

REFERENCE NUMBER:	Doc/19/122339
RESPONSIBLE OFFICER/DEPARTMENT:	Risk and Governance Officer
APPLICABLE LEGISLATION:	Local Government Act 1999 Work Health and Safety Act 2012
MOUNT BARKER 2035 – DISTRICT STRATEGIC PLAN:	Governance and Leadership GL4.4 Identify strategic and operation risk issues and manage accordingly
RELATED POLICIES:	<ul style="list-style-type: none">• Internal Control Policy• Fraud, Corruption, Misconduct, and Maladministration Prevention Policy• Internal Controls Policy• Procurement Policy• Disposal of Council Land and Other Assets Policy• Work Health and Safety Policies
SUPPORTING PROCEDURES:	<ul style="list-style-type: none">• Risk Management Framework• Business Continuity Plan• Procurement procedures• Work Health Safety Procedures
PREVIOUS REVIEW DATES	6 November 2017
ENDORSED BY COUNCIL:	20 January 2020
MINUTE RESOLUTION NUMBER	OM20200120.05
NEXT REVIEW DATE:	20 January 2023

1. PURPOSE

The Mount Barker District Council (“the Council”) recognises how important it is to understand and manage risk. The Council is committed to embedding a culture of routine risk management in all of its business processes to efficiently achieve its strategic objectives. Effective management of risks will protect the community, Council’s assets and employees.

2. POLICY OBJECTIVES

The primary policy objectives of this Policy are to ensure:

- Council's commitment to core risk management principles;
- Responsibilities are defined for the application of risk identification, assessment, evaluation and treatment programs across Council operations;
- there are systematic and effective assessments of risks across the organisation using Council's Risk Management Framework which has been developed on the principles and guidelines within AS ISO 31000:2018 and include tools that strives to achieve a balance between the cost of managing a risk and the anticipated benefits;
- Council develops a risk management culture;
- The identified risks are well managed and prioritised;
- Risks management is used as part of Council decision making.

3. SCOPE

This Policy applies to Council Member, employees, volunteers and contractors.

4. DEFINITIONS

- **Control** – measure that maintains or modify the risk
- **Risk** – effect of uncertainty on objectives
- **Risk Management** – coordinated activities to direct and control an organisation with regard to risk
- **Risk Management Framework** - Set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation
- **Risk Management Policy** – Statement of the overall intentions and direction of an organisation related to risk management.

4. ROLES & RESPONSIBILITIES

Council

- Maintain a Risk Management Policy and Risk Management Framework
- Consider recommendations from Audit and Risk Committee regarding the effective use of the risk management framework
- Ensure there is consideration of risks and opportunities as part of decision making.
- Review the quarterly risk report.

Audit and Risk Committee

- Review the Risk Management Policy and Risk Management Framework and make recommendations to Council
- Monitor the application of the Risk Management Framework across the organisation
- Monitor Council's high or very high risks
- Make recommendations to Council regarding risk management and audit outcomes

- Consider whether to meet confidentially with the Council's external Auditor.

Chief Executive Officer

- Review, endorse and implement the Risk Management Policy and Framework;
- Promote a culture of risk awareness that has risk management integrated into Council's activities and functions
- Develop and maintain an appropriate system for risk management to support the achievement of the Strategic and Annual Business Plans
- Monitor and review the effectiveness of the Council's internal controls, external & internal audit function in the context of the Council's overall risk management system
- Implement appropriate delegations for employees to carry out risk management activities
- Allocate appropriate resources to manage risks.

Corporate Governance Group (CGG)

- Review and endorse forwarding the Risk Management Policy and Framework to the Audit and Risk Committee
- Promote a culture of risk awareness that supports risk management as an integral part of Council's activities and functions
- Monitor high risks and report on actions to treat these risks to the Audit and Risk Committee and Council.

General Managers

- Promote the Risk Management Framework and a proactive risk management culture within their Departments
- Monitor and review the effectiveness of the Council's internal controls, external & internal audit function in the context of the Council's overall risk management system
- Integrate the identification and management of risks as part of Council business / operations with appropriate record keeping.
- Review quarterly the Operational Risk Register and associated action plans for their Departments
- Identify risks and risk management when making recommendations to the CEO and Council.

Managers

- Lead, actively participate and have complete oversight of all risks within their area of responsibility
- Identify, assess and manage risks within their Teams in accordance with the Council's Risk Management Framework on an ongoing basis
- Monitor Risk Assessments undertaken for all required projects, initiatives and activities to achieve acceptable risk levels, record keeping and escalation when required.
- Provide risk management training and development.
- Promote a positive risk management culture
- Consider risk information in all business planning, performance management and other key management processes

- Report any service change or legislative change and associated risk identification and risk management to CGG.
- Monitoring and report any significant risk exposure to their General Manager
- Supervising contractors to ensure they adhere to the Council's Risk Management Framework.

Work Health and Safety Committee

- Work co-operatively with Council managers to ensure there are measures to monitor workers safety
- Review and develop policies and procedures to ensure workers safety
- Promote workers interest in safety
- Monitor legislative changes, performance and improvement plans and report these to CGG

Risk and Governance Officer

- Develop, monitor and review the Risk Management Policy and Framework
- Maintain the corporate risk register
- Review the risk register quarterly
- Provide advice on using the Risk Management Framework
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- Report regularly to the Corporate Governance Group and Audit Committee
- Facilitate training on risk management.

Employees

- Understand and apply the Risk Management Framework
- Contribute to the identification, assessment, risk management and record keeping.
- Timely and clear reporting, remediation and/or escalation of risks.

5. POLICY STATEMENT

- 5.1 Council is committed to maintaining and applying governance and risk management principles to ensure any impacts to strategic and business objectives are considered and analysed;
- 5.2 Council will integrate risk management into the organisation's processes and decision making to foster a risk management culture.
- 5.3 Council's Risk Framework has been developed in accordance with the standard ISO 31000:2018 to ensure a formalised and systematic approach to manage and treat risks.
- 5.4 Risks will be proactively identified and managed without restricting opportunities and innovation in order to achieve strategic goals.
- 5.5 Appropriate resources will be allocated for risk management;
- 5.6 Employees will be:
 - 5.6.1 made aware of their responsibility, authority and accountability for management risks; and
 - 5.6.2 provided with learning opportunities in relation to risk management.
- 5.7 Strategic, operational and project risks will be incorporated into Council's Risk Register.
- 5.8 Risks will be regularly reported to the Corporate Governance Group, ~~and~~ the Audit and Risk Committee and Council.

6. REVIEW

This Policy will be reviewed every three (3) years or earlier in the event of changes to legislation or related Policies and Procedures or if deemed necessary by the Risk and Governance Officer.

7. ACCESS TO THE POLICY

The Policy is available for public inspection at the Customer Service Centre, at the Local Government Centre, 6 Dutton Road, Mount Barker, South Australia and on the Council's website www.mountbarker.sa.gov.au

8. FURTHER INFORMATION

For further information on this Policy, please contact:

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