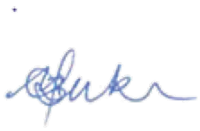
District Council of Elliston
Policy

WHS and Risk

E012 Risk Management

Signature	
Policy Issued & Effective from	May 2024
Date of Last Review	May 2022
Version No.	5.0
Next Review Date	May 2027
Person responsible for maintaining	WHS & Risk Coordinator

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1. Purpose

The District Council of Elliston (**Council**) is committed to a consistent and integrated approach to managing risk and recognises that effective risk management policies, systems and processes will inform decision making, resource allocation and risk mitigation, which in turn will support successful achievement of its vision and strategic objectives as set out in Council's corporate plans as well as provision of day to day functions and project delivery. In doing so, Council aims to encourage and promote confidence within our community.

The purpose of the Risk Management Policy (**the Policy**) is to enable an integrated and systematic approach to risk management by:

- articulating Council's commitment to core risk management principles;
- the application of a *Risk Management Framework* (**Framework**) that provides the tools and programs to underpin Council's approach to achieving a balance between the costs of managing risk and anticipated benefits;
- reviewing and evaluating the effectiveness of Council's polices, systems and procedures established and maintained for the identification, assessment, monitoring, management, and review of strategic, financial, and operational risks on a regular basis;
- promoting, developing, and nurturing a proactive risk culture throughout the organisation; and
- achieving the Council's goals, objectives, targets and community expectations within Council's risk appetite and capacity.

2. Policy Statement

2.1. The management of risk will be integrated into governance and leadership structures, including decision making at all levels, that aligns with *ISO 31000:2018 Risk Management – Guidelines* (**the Standard**)

2.2. Council is committed to developing and maintaining structured and comprehensive risk management systems and processes that are dynamic and based on best available information.

2.3. Engagement with Council employees and stakeholders is integral to the success of risk management processes and as such structures to facilitate consultation and communication will be developed and maintained.

2.4. Council will monitor and review it's strategic, operational and project risks and apply learnings to continually improve efficiency and effectiveness.

3. Performance Measures

The performance of the risk management program will be measured through the following performance indicators:

a) Number of strategic objectives achieved (as a percentage of total)
b) Year on year reduction in strategic risks, rated extreme and high
c) Percentage of strategic risks within risk appetite
d) Percentage achievement of risk evaluation action plan actions

4. Legislative Requirement and Policy Content

4.1. Section 48 of the *Local Government Act 1999* (**LG Act**) requires Council to identify risks associated with a project and take steps to manage, reduce or eliminate those risks, including by provision of periodic report to the Chief Executive Officer (**CEO**) and to the Council.

4.2. Section 99(1)(ia) of the LG Act requires the CEO to ensure that effective policies, systems and processes are established and maintained for the identification, assessment, monitoring, management and annual review of strategic, financial and operational risks.

4.3. Section 125 of the LG Act requires Council to ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the organisation to carry out its activities in an efficient and orderly manner to achieve its objectives.

4.4. Section 126/126A(4)(h) if the LG Act requires the Council Audit and Risk Committee to review and evaluate the effectiveness of policies, systems, and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis.

4.5. 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.

4.6. Section 134(4) of the LG Act requires Council to adopt risk management policies, controls and systems by a resolution passed by at least a two thirds majority of the Elected Members prior to entering into financial arrangements for the purpose of managing, hedging or protecting against interest rates or other costs of borrowing money.

4.7. As a member of the Local Government Association Mutual Liability Scheme, Council is bound by the Scheme Rules, which include an obligation to ensure that adequate risk management and prevention strategies are put in place so as to absolutely minimise the risk of any incident, circumstance or matter that may give rise to a claim.

5. Definitions

Definitions are outlined within the framework.

6. Responsibilities

The implementation of the Policy and supporting framework will have the full support and commitment of the Senior Management Team (**SMT**) and Council. The effectiveness will be monitored by the CEO.

The following roles and responsibilities will ensure a transparent approach to managing risk within Council.

Note: the roles and responsibilities outlined below refer to risk management only and the committee/ position requirements in general.

Roles	Responsibilities
Elected Members	▪ Set the Council's risk appetite and policy for managing risk ▪ Review and consider any report or recommendations regarding the Framework ▪ Foster a culture that is consistent with Council's appetite for risk ▪ Give adequate consideration to risks when setting objectives and making decisions

	▪ Ensure Council have the structures and processes in place to support making and management of risk ▪ Monitor Council's strategic risks
Audit & Risk Committee	▪ Monitor that the Framework is implemented and delivers a consistent approach to risk management by assigning authority, responsibility and accountability at appropriate levels within the organisation ▪ Review reports from management and auditors and monitor that effective enterprise risk and opportunity management controls have been implemented ▪ Monitor and provide recommendations to Elected Members on Council's strategic risks
CEO	▪ Promote a strong risk management culture by providing firm and visible commitment to risk management including ensuring appropriate accountability for the management of risk ▪ Review and endorse the Framework ▪ Ensure the customised Policy and Framework are in place and implemented to deliver a consistent approach to risk management ▪ Ensure that appropriate resources are allocated to managing risk ▪ Ensure that SMT have the necessary knowledge and skills to effectively fulfil their risk management responsibilities and are accountable for managing risks arising from activities of their department ▪ Regularly review Council's strategic and operational and project (as applicable) risks ▪ Report annually to the Audit and Risk Committee the internal audit processes ▪ Ensure compliance with legislative and contractual obligations and policy requirements
SMT	▪ Commitment to and promotion of the Policy and Framework ▪ Monitor Council's overall risk profile and mitigation strategies ▪ Ensure that risk management is embedded into all critical functions and activities, including decision making ▪ Ensure that risks that cannot be treated immediately are recorded on the risk register and that there is ongoing and regular review of the risk register, (including follow up and close out of overdue risk treatments) ▪ Ensure that staff, contractors, volunteers and other relevant stakeholders have the appropriate skills to be actively involved in managing risk as appropriate ▪ Promote a proactive risk culture in accordance with business management initiatives ▪ Regularly review risks on the risk register (at least annually) ▪ Review and provide recommendation to the Audit and Risk Committee on Council's strategic risks
WHS and Risk Coordinator	▪ Provide guidance and assistance to all staff in relation to the application of the Framework and reporting within the risk register ▪ Ensure relevant risk information is reported and escalated to the SMT or Audit and Risk Committee or cascaded to staff, as relevant ▪ Maintain the Policy and Framework to ensure its currency and accuracy ▪ Maintain the risk register and timeframes as required
Employees, Volunteers and Contractors	▪ Understand the risk management processes that are integrated into all Council activities ▪ Identify evaluate, report and manage (or escalate), risks relating to daily activities and projects

6. Legislation

Local Government Act (SA) 1999
Local Government Regulations (SA) 2011

Australian Work Health and Safety Act (SA) 2012
Work Health and Safety Regulations (SA) 2012
Civil Liabilities Act 1936
State Records Act 1997

7. References

AS ISO 31000:2018 International Standard on Risk Management - Guidelines

8. Associated Documents

- ED003: Risk Management Framework
- E011: Business Continuity Policy
- EX001: Business Continuity Plan
- DCE Strategic Plan
- EX002: Workplace Emergency Management Plan
- EP005: Consultation and Communication Procedure

DOCUMENT HISTORY				
Version	**Changes since last version**	**Approved by**	**Record No**	**Issue Date**
1.0	DRAFT New Document			May 2015
1.2	DRAFT – Amended policy statement			July 2016
2.0	Policy Issued	CEO		March 2017
3.0	Updated layout and amended headings, introduction, policy principles, roles and responsibilities,	CEO		August 2018
4.0	Updated wording to align with LGRS Template	CEO	NGR223916	May 2022
5.0	Updated 1. Purpose, updated 2. Policy Statement, included performance measures, updated 4. Legislation to include reference to section 126/126A(4)(h), updated responsibilities to align with framework, amended all references to 'Audit Committee' to 'Audit and Risk Committee', updated related documents	CEO	NGR245477	May 2024