	Risk Management Policy

Policy Type	Governance
Responsible Department	Office of the Chief Executive Officer
Responsible Officer	WHS and Risk Officer
Related policies	
Related procedures	
Related Legislation	*Local Government Act 1999* *Work Health and Safety Act 2012* *Civil Liabilities Act 1936* *State Records Act 1997*
Related Documents	*AS ISO 31000:2018 Risk Management – Guidelines* *District Council of Elliston Risk Management Framework* *LGAMLS Scheme Rules as gazetted July 2020*
Date adopted	17 May 2022	**Minute Number**	**2022.68**
Version	4.0
Last reviewed	June 2021
Next Review date	May 2024

1   Purpose

The District Council of Elliston is committed to a consistent and integrated approach to managing risk relating to the achievement of 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, we aim to encourage and promote confidence within our community.

This policy specifically addresses these requirements by seeking to ensure that:

•   Risk Management activities are aligned with Strategic Objectives outlined in Council's suite of corporate plans including: Strategic Plan, Infrastructure and Asset Management Plan, Annual Business Plan and Long Term Financial Plan; and

•   The risks and opportunities associated with Council strategies, operations and projects are identified, recorded, evaluated, treated, monitored and communicated in accordance with the processes described in Risk Management Standard – Principles and guidelines AS/NZ ISO 31000:2018 and Council's Risk Management Framework.

2   Policy Statement

The management of risk will be integrated into governance and leadership structures, including decision making at all levels.

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

Engagement with the District Council of Elliston 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.

District Council of Elliston will monitor and review its 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 rates "extreme" and "high"

c) Number of Elected Members and employees trained in risk management (as a percentage of total)

4   Legislative requirement and policy content

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 and to the Council.

Section 125 of the LG Act requires District Council of Elliston 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.

Section 132A of the LG Act requires District Council of Elliston 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.

Section 134(4) of the LG Act requires District Council of Elliston 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.

As a member of the Local Government Association Mutual Liability Scheme, District Council of Elliston 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 Council's Risk Management Policy and supporting framework will have the full support and commitment of the Senior Management Team and Council.   The effectiveness will be monitored by the Chief Executive Officer.

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	• Setting the organisation's risk appetite and policy for managing risk • Giving adequate consideration to risks when setting objectives and making decisions • Fostering a culture that is consistent with the organisation's appetite for risk • Ensuring the organisation has the structures and processes in place to support making and management of risk • Setting an appropriate governance structure for risk and risk management including Audit Committee and delegations • Requiring the Chief Executive Officer to demonstrate that the framework for managing risk is effective and appropriate • Requiring the Chief Executive Officer to provide information to allow Council to understand the risks that

	may have material impacts on achievement of the organisation's objectives
	• Considering recommendations from the Audit Committee relating to strategic risks or any other risk matter.
Audit Committee	• Ensure a framework is implemented and delivers a consistent approach to risk management.
	• Review reports from management and auditors and monitor that effective enterprise risk and opportunity management controls have been implemented.
Chief Executive Officer (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
	• Reviewing and endorsing the Risk Management Framework
	• Develop and implement a framework that delivers a consistent approach to risk management by allocating resources and assigning authority, responsibility and accountability at appropriate levels within the organisation
	• Allocate and uphold accountability for managing risk
	• Ensure the Senior Management Team has the necessary knowledge and skills to effectively fulfil their risk management responsibilities
	• Regularly review strategic and operational risks and maintain an understanding of the environment in which the organisation operates, the risks it faces and the effectiveness of its controls
	• Ensure compliance with legislative and contractual obligations and policy requirements
	• Provide reliable information about risks, controls and their effectiveness to the Council
	• Escalate all strategic risks that exceed the organisation's risk

	appetite to the Audit Committee or Council as required
Senior Management Team	• Commitment to, and promotion of, the Risk Management Framework. • Monitor the organisation's overall risk profile and mitigation strategies • Ensure that risk management is embedded into all critical functions and activities. • Empower staff to be actively involved in managing risk • 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) • Incorporate risk treatments into Council plans • Ensure that employees receive training in aspects of Council's Risk Management Framework relevant to their roles • Promote a proactive risk culture in accordance with business management initiatives • Collectively review strategic risks and consider emerging risks (prior to Audit Committee) • Ensure compliance with legislative and contractual obligations and policy requirements
WHS and Risk Coordinator	• Maintain the Risk Management Policy and Framework • Provide guidance and assistance to all staff in relation to the application of this framework • Develop continuous improvement initiatives aimed at integrating strategic, operational and project risk management into Councils day to day operations • Maintain records of Councils strategic, operational and project risks to enable monitoring and reporting to occur
Employees, Volunteers and Contractors	• Understand the risk management processes that are integrated into all Council operations

- Identify evaluate, report and manage risks relating to daily activities and projects

7   Review

The Council's Risk Management Policy and Risk Management Framework shall be reviewed every two (2) years or more frequently if legislation, relevant standards or organisational needs change.

SIGNED: ………………………..
CEO
Date: 17 May 2022

8   Availability of Policy

This policy will be available for inspection during ordinary business hours at the Council principal office, at 21 Beach Terrace, Elliston or at www.elliston.sa.gov.au   Further information about this policy can be obtained by contacting Council during officer hours on 8687 9177 or email dce@elliston.sa.gov.au

The Framework is available to all employees via Skytrust.

Document History:	Version No:	Issue Date:	Description of Change:
	DRAFT	May 2015	New document
	DRAFT	July 2016	Amended Policy statement
	2.0	March 2017	Issued
	3.0	August 2018	Updated layout and amended headings, introduction, policy principles, roles and responsibilities
	4.0	May 2022	Updated wording to align with the LGRS Model Template