

# **Risk Management Policy 2023**

**POL006**



<b>Policy No:</b>	<b>POL006</b>
<b>Policy Title:</b>	<b>Risk Management Policy</b>
<b>Section Responsible:</b>	<b>Human Resources</b>
<b>Minute No:</b>	<b>23/070</b>
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### **1. INTENT**

The purpose of this policy is to express Narrandera Shire Council's (Council) commitment to implementing organisation-wide risk management principals, systems and processes to ensure the consistent, efficient and effective assessment of risk in all Council's planning, decision making and operational processes.

### **2. SCOPE**

This policy applies to all Narrandera Shire Council Councillors, management, staff, volunteers and contractors across all council activities and processes.

This policy is to be read in conjunction with Risk Management Framework Procedure (D – 532465).

### **3. OBJECTIVE**

Council provides critical services and infrastructure to the residents, ratepayers and visitors of Narrandera. Council also has service agreements and contractual obligations with government and non-government agencies, organisations and its own strategic goals and objectives that Council seek to achieve on behalf of the community. Therefore, it is incumbent on Council to understand the internal and external risks that may impact the delivery of those services, contracts and strategic objectives and have processes in place to identify, mitigate, manage and monitor those risks to ensure the best outcome for Council's employees and the community.

Council has developed a risk management framework consistent with AS/NZS ISO 31000:2018 Risk Management Guidelines (to the extent that the limited resources available to Council will allow). The risk management framework will assist Council to identify, treat, monitor and review all risks to its operations and strategic objectives and apply appropriate internal controls.

#### 4. PROVISIONS

This policy will be implemented through the Narrandera Shire Enterprise Risk Management Framework. Perceived risks will be captured in the Enterprise Risk Register with assessments made for likelihood and consequence.

Risk consequences are to be developed such as quantifiable risk consequences aligned to Narrandera Shire's community strategic plans and delivery of service level expectations.

#### 5. DEFINITIONS

Risk	Effect of uncertainty on objectives
Likelihood	Chance of event occurring resulting in the consequences defined
Consequence	Outcome of an event affecting objectives, expressed qualitatively, quantitatively, or semi-qualitatively

#### 6. ROLES AND RESPONSIBILITIES

Council aims to create a positive risk management culture where risk management is integrated into all everyday activities and managing risks is an integral part of governance, good management practice and decision making.

As defined in Council's risk management framework all employees are responsible for identifying and managing risk within their work areas. Key responsibilities include

- Being familiar with, and understanding the principals of risk management
- Complying with all policies, procedures and practices relating to risk management
- Alerting management to risks that exist within their area
- Performing any risk management activities as part of their daily role

Risk management is a core responsibility for all senior staff/ management at Council, in addition to the above senior staff/ management are responsible for:

- Ensuring all staff manage their risks within their own work areas – risks should be anticipated and reasonable protective measures taken
- Encouraging openness and honesty in the reporting and escalation of risks
- Ensuring all employees have the appropriate capability to perform their risk management roles
- Reporting to the General Manager on the status of risk and controls
- Identifying and communicating improvements in Council risk management policies and procedures.

To ensure Council is effectively managing risk and complying with its statutory obligations, Council's audit, risk and improvement committee and internal audit function is responsible for reviewing the Councils:

- Risk management processes and procedures
- Risk management strategies for major projects or undertakings
- Control environment and insurance arrangements
- Business continuity planning arrangements
- Fraud control plan

## **7. MONITORING AND REVIEW**

Council is committed to continually improving its ability to manage risk. Council will review this policy and its risk management framework at least annually to ensure it continues to meet requirements of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021*, and Council's requirements.

## **8. RELATED LEGISLATION**

- *Local Government Act, 1993*
- *Local Government (General) Regulation, 2005*

## **9. RELATED POLICIES AND DOCUMENTS**

- Narrandera Shire Enterprise Risk Management Framework - 532465
- Narrandera Shire Council Enterprise Risk Register - 434540
- Narrandera Shire Work Health and Safety Policy - 649448
- Narrandera Shire Community Strategic Plan - 613012
- Narrandera Shire Delivery Program - 608297
- Narrandera Shire Operational Plan - 608298
- International Organisation for Standardisation (ISO 31000:2018 – Risk Management Guidelines)

## **10. VARIATION**

Council reserves the right to review, vary or revoke this policy in accordance with legislation, regulation and award changes, where applicable. Council may also make changes to this policy and the relevant procedures from time-to-time to improve the effectiveness of its operation.

## **11. PREVIOUS VERSIONS**


This policy was previously named:

- CS150 Risk Management Policy

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EXTERNAL (to Council)

**POLICY HISTORY**

<b>Responsible Officer</b>	<b>Enterprise Risk and Safety Officer</b>			
<b>Approved by</b>	<b>General Manager</b>			
<b>Approval Date</b>	<b>20 June 2023</b>			
<b>GM Signature</b> <i>(Authorised staff to insert signature)</i>				
<b>Next Review</b>	<b>20 June 2025</b>			
<b>Version Number</b>	<b>Endorsed by ELT</b>	<b>Endorsed by Council</b>	<b>Endorsed by ARIC</b>	<b>Date signed by GM</b>
<b>1 Adopted</b>	24 January 2023	18 April 2023	8 March 2023	20 June 2023
<b>2 Reviewed</b>	DD/MM/YYYY	DD/MM/YYYY	DD/MM/YYYY	DD/MM/YYYY

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