



Risk Management Policy

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Purpose

Effective risk management is vital to ensuring the delivery of Council's strategic and operational objectives and the safety and security of Councillors, employees, contractors, service providers/service partners and volunteers, citizens and visitors and Council's assets.

This policy establishes the foundation for a consistent, proactive and measurable approach to effective risk management across all Council assets, operations and strategies. Implementation of this policy will encourage the identification, analysis and treatment of potential risks, facilitate the safe and effective delivery of Council objectives, and enhance Council's corporate image as a professional, fiscally reliable, responsible and ethical organisation.

Scope

This policy applies to all Councillors, employees, contractors, service providers / service partners and volunteers of Council.

Policy Context

Council is committed to achieving effective and responsible risk management in accordance with *Australian Standard AS/NZS ISO 31000:2018 – Risk management guidelines* ("the Standard") through all its internal and external operations.

Policy Statement

Council is committed to achieving effective and responsible risk management in accordance with *Australian Standard AS/NZS ISO 31000:2018 – Risk management guidelines*. Council will ensure that its activities and assets do not place people, property or the environment at unreasonable levels of risk. An integrated and consistent approach will be adopted to ensure that significant risks are identified and addressed during planning, decision-making and everyday operations. Council will also apply risk management dynamically to external factors such as legal and claims advice, audits through the sector and public and internal incidents.

Council will achieve effective risk management through:

- Embedding risk management into all aspects of Council's corporate planning and operations;
- Promoting and supporting risk management practices throughout the organisation.
- Fostering a culture that encourages accountability for risk management throughout the organisation;
- Management and employees accepting personal and collective responsibility for achieving good risk outcomes;
- Assigning accountabilities and responsibilities at appropriate levels within the organisation;
- Undertaking risk assessments for key operations, projects and strategies and maintaining a comprehensive and regularly updated risk register to identify and monitor operational and strategic risks and associated response plans;

- Quarterly risk reporting to senior management and Council’s Audit and Risk Committee;
- Implementing and communicating governance processes that ensure compliance with legislation and Council policies;
- Sound oversight of contracts, contractors, tenants and committees of management to ensure that appropriate risk controls and insurances are in place;
- Applying risk management processes into all pre-employment screening;
- Prompt and thorough reviewing of incidents and claims, to respond to imminent risks and highlight patterns and areas of risk management deficiency;
- Developing and implementing policies, procedures, strategies and training to guide and assist staff in their operational areas; and
- Establishing accountability for responding to internal and external audit recommendations within agreed timeframes.

Roles and Responsibilities

These management positions are responsible for the implementation, communication and compliance monitoring of the policy in their work areas:

Party / Parties	Roles and Responsibilities
Audit and Risk Committee	<p>Provide support to Council on risk management systems, internal control framework, compliance and internal audit activities through the provision of independent review and feedback.</p> <p>Conduct an annual review of Council’s risk management policy, framework and annual program.</p> <p>Review risk registers annually, internal and external audit reports and related policies and procedures and provide feedback as appropriate.</p>
Chief Executive Officer and General Managers	<p>Promote effective management of all types of risks across the Shire’s operations. Ensure Councillors are aware of risk management objectives. Ultimately responsibility for managing risks across the Council. Responsible for the recognition and adoption of risk management as a key function of Council. Demonstrate a commitment to risk management for all staff. Ensure resources are appropriately allocated to meet Council’s risk management requirements.</p>
Councillors	<p>Adopt a risk management policy that complies with the requirements of AS/NZS ISO 31000:2018 and review and amend the policy as required.</p> <p>Provide adequate budgetary provision for the financing of risk management including approved risk mitigation activities.</p> <p>Appoint and resource the Audit and Risk Committee.</p>
General Manager Business Excellence	<p>Overall responsibility for policy implementation.</p>

Party / Parties	Roles and Responsibilities
Employees, Contractors and Volunteers	Perform duties in a manner that is within an acceptable level of risk to their health and safety, and that of other employees, contractors, volunteers, service providers / partners and customers. Comply with Council's policies and quality assurance procedures where applicable. Make risk mitigation a priority when undertaking tasks. Report any hazard or incidents as detected to their Supervisor/Manager or the Shire Responsible Officer (for contractors). Be aware of the risk management philosophy and processes of Council.
Managers	Responsible for the identification, review, analysis and appropriate treatments applied of all risks within their Division or business unit. Ensure adequate protection of Shire staff, assets and operations from risks through appropriate budgeting and implementation of loss control programs. Ensure public liability risks to customers through delivery of our services are effectively managed. Ensure all staff are conversant with, and understand the role of risk management within Council operations. Support and encourage a risk aware culture within the organisation by endorsement and promotion of Council's Risk Management Framework. Liaise with the Workplace Health and Safety Officer to ensure provision of a safe and healthy work environment and implementation of appropriate safe work practices and control measures. Supervise and audit contractors to ensure risk management policies and procedure are applied.
Manager People, Performance and Culture	Provide guidance to the Risk Management Coordinator to determine and address risk management objectives and priorities. Facilitate regular risk reporting to senior management and Audit and Risk Committee and update policy and related documents.
Risk Management Coordinator	Promote implementation of risk management strategies and programs designed to minimise risks and potential losses to the Shire. In agreement with General Manager Business Excellence and the Manager People, Performance and Culture formulate a list of annual objectives to support the Risk Management Framework. Develop and review risk management related policies and procedures. Develop and maintain a risk register and update the risk analysis matrix for prioritising of risk against Council's risk appetite. Support the development, maintenance and review of Council's Business Continuity Plan. Review and provide input into the Shire's insurance portfolio and claims procedures. Provide advice and training on risk management principles and processes.

References and Supporting Documents

Applicable Legislation:

Local Government Act 1989 – (Section 76A - Council must take out insurance cover)

Occupational Health and Safety Act 2004

Applicable Policy and Procedure:

Risk Management Framework

Business Continuity Plan

Fraud and Corruption Control Policy

Procurement Policy

Urban Tree Management Procedure

Workplace Health and Safety Policy (and supporting documentation)

Working Alone and in Isolation Procedure

Supporting Documents:

Internal Documents:

- Council Plan 2017 – 2021
- Road Management Plan
- Draft Driving and Vehicle Safety Guidelines
- Staff Code of Conduct
- Municipal Emergency Management Plan

External Documents:

- Australian Standard AS/NZS ISO 31000:2018 – Risk management guidelines
- SA/SNZ HB 436:2013 – Risk Management Guidelines – Companion to AS/NZS ISO 31000:2009
- AS/NZS 5050:2010 - Business continuity— Managing disruption-related risk

Privacy and Human Rights Consideration

All personal information collected by East Gippsland Shire Council about risk management and incident reporting will be handled in accordance with all applicable privacy legislation and will be used only for investigating any accidents or injuries

The Risk Management policy has been assessed as compliant with the obligations and objectives of the Victorian *Charter of Human Rights and Responsibilities Act 2006*. Please refer to www.humanrightscommission.vic.gov.au for assistance with this section.>

Definitions

Term	Meaning
Business Continuity Plan	A plan devised in accordance with Australian Standard 5050/2010 Business continuity. Managing disruption-related risk, to facilitate the continuation of, or return to, normal business operations following a disaster or critical event that affects the provision of Council services.
Contractor	Person or company engaged to undertake works for Council, including service providers / service partners.
Council	East Gippsland Shire Council
Councillor	Person who has been elected to the office of “Councillor” of East Gippsland Shire Council.
Council Officer	A current member of East Gippsland Shire Council staff with the authority to engage in activities on behalf of Council.
Responsible Officer	An officer of East Gippsland Shire Council who has responsibility for the general area/subject matter to which a record pertains.
Risk	Refers to the chance or likelihood of something occurring that will have an impact on objectives. It is measured by the likelihood of the event occurring and the consequences if it does occur.
Risk appetite	Describes the amount and type of risk that an organisation is prepared to accept or tolerate for its stakeholders in achieving its objectives.
Risk Matrix	Used to assess individual risks against defined likelihood and consequence measurements.
Risk Management	The coordination of activities to direct and control an organisation with regard to risk. It involves the identification, analysis, assessment, control, and avoidance, minimisation, or elimination of unacceptable risks i.e. where the risk of failure is too high.
Risk Register	A register detailing operational and strategic risks identified by Council employees and assessed in accordance with the risk matrix detailed.
Service providers / service partners	Person or company engaged to provide services for Council.
Shire	The geographic area of the East Gippsland Shire Council.
Staff	All staff engaged by the East Gippsland Shire Council, including all full-time, part-time and casual employees, labour hire agency staff, contractors and volunteers.
Volunteer	Formally recognised, unpaid member of the public who assists with the provision of Council services e.g. Visitor Information Centre/Library.

Revision History and Review

Version Control	Approved Amended Rescinded	Date Effective	Approved By	ECM Document Reference	Summary of Changes
Original	Approved	26/11/2001	Council		
1	Approved	06/10/2009	Council	3720446	
2	Approved	04/02/2014	Council	5650818	Policy migrated into new template
3	Approved	01/09/2015	Council	6381369	
4	Approved	07/02/2017	Council	7050679	
5	Approved	01/08/2017	Council	7262097	
6	Approved	04/09/2018	Council	7740061	Policy migrated into new template
7	Approved	06/08/2019	Council	8130824	Review and proposed change to review period