

## Document Control

Document Name	Document Register Number	Review Date
Risk Management Policy	GOV.POL.0003.001	July 14
Date Adopted	Minute Number	Summary of Changes
17 July 2013	3487	New policy

## Purpose

Greater Hume Shire Council recognises that risk is inherent in all of its activities and that effective management of risk is necessary in order to protect its employees, assets, liabilities and community against potential losses.

This policy aims to ensure that sound risk management practices and procedures are fully integrated into Council's WHS & Insured Risk Management System and Council's strategic and operational planning processes.

The implementation of this policy will ensure that elected members and management recognise that they have a responsibility to ensure that Council identifies and addresses all threats and opportunities associated with carrying out its functions.

## Scope

The scope of risk management at Greater Hume Shire Council will be 'enterprise wide'. This means that Council will consider risks across all Council strategies, plans, activities and processes.

Therefore this policy applies to all Councillors, management, staff, contractors and volunteers across all Council activities and processes.

## Definitions

- *Risk* – effect of uncertainty on objectives.
- *Risk Management* – Coordinated activities to direct and control an organisation with regard to risk.
- *Risk Management Policy* – a statement of the overall intentions and direction of an organisation related to risk management.
- *Risk Management Plan* – specifies the approach, the management components and resources to be applied to the management of risk.

## Policy Content

Greater Hume Shire Council is committed to ensuring a strong risk management culture exists and will undertake a range of activities to help promote and embed enterprise wide risk management policies by:

- Managing risk based on AZ/NZS ISO 31000:2009 Risk Management and other relevant guidelines and standards.
- Maintaining policies that compliment risk management such as fraud prevention, business continuity management, WH&S, good governance and code of conduct.
- Aligning risk management to Council's existing planning and operational processes.
- Allocating sufficient funding to risk management activities.
- Providing all Council staff with sufficient and appropriate training.
- Including risk management information and updates in Council reports and on Council intranet/internet sites.
- Update WHS & Insured Risk Management System annually.

- Make informed judgements concerning the level and costs of risk involved in achieving cost-effective outcomes.
- Maintaining a risk management component in its project management software.

Council supports the following principles as listed in AS/NZS ISO 31000:2009:

- **Risk management creates and protects value.**  
Risk Management contributes to the demonstrable achievement of objectives and improvement of performance on, for example, human health and safety, security, legal and regulatory compliance, public acceptance, environmental protection, product and service quality, project management, efficiency in operations, governance and reputation.
- **Risk management is an integral part of all Council processes.**  
Risk management is not a stand-alone activity that is separate from the main activities and processes of Council. Risk management is part of the responsibilities of management and an integral part of all Council's processes, including strategic planning and all project and change management processes.
- **Risk management is a part of decision making.**  
Risk management helps decision makers make informed choices, prioritise actions and distinguish among alternative courses of action.
- **Risk management explicitly addresses uncertainty.**  
Risk management explicitly takes account of uncertainty, the nature of that uncertainty, and how it can be addressed.
- **Risk management is systematic, structured and timely.**  
A systematic, timely and structured approach to risk management contributes to efficiency and consistent, comparable and reliable results.
- **Risk management is tailored.**  
Risk management is aligned with Council's external and internal context and risk profile.
- **Risk management takes human and cultural factors into account.**  
Risk management recognises the capabilities, perceptions and intentions of external and internal people that can facilitate or hinder achievement of Council's objectives.
- **Risk management is transparent and inclusive.**  
Appropriate and timely involvement of stakeholders and, in particular, decision makers at all levels of Council, ensures that risk management remains relevant and up-to-date. Involvement also allows stakeholders to be properly represented and to have their views taken into account in determining risk criteria.
- **Risk management is dynamic, interactive and responsive to change.**  
Risk management continually senses and responds to change. As internal and external events occur, context and knowledge change, monitoring and review of risks takes place, new risks emerge, some change and others disappear.
- **Risk management facilitates continual improvement of Council.**  
Council should develop and implement strategies to improve their risk management maturity alongside all other aspects of Council.
- **Risk management is based on the best available information.**  
The inputs to the processes of managing risk are based on information sources such as historical data, experience, stakeholder feedback, observation, forecasts and expert judgement. However, decision makers should inform themselves of, and should take into account, any limitations of the data or modelling used or the possibility of divergence among experts.

### Links to Policy

Work Health & Safety Policy

Work Health & Safety Consultation Policy

### **Links to Procedure**

Nil, at date adopted.

### **References**

Nil, at date adopted.

### **Responsibility**

#### *General Manager*

The General Manager is responsible for ensuring that a risk management process is established, implemented and maintained in accordance with this Risk Management Policy.

#### *Directors – (MANEX)*

MANEX chaired by the General Manager is responsible for oversight of the risk management process, for determining an acceptable level of risk and for monitoring Council's overall risk profile and risk treatment strategies.

#### *Business Units*

Managers/Team Leaders are responsible for the implementation of the Risk Management Policy and WHS and Insured Risk Management System within their respective areas of responsibility including the identification, assessment and recording of risks identified, and the acceptance or assignment of risk responsibility, ongoing assessment and registering of risk as part of business and project planning and management.

#### *Employees*

All employees are responsible for identifying potential risks and for the effective management of risk. As such they will have access to information regarding the Council's risk management process, and the identified risks in their work area from the Risk Register.

### **Relevant Legislation**

Risk Management Principles and Guidelines AS/NZS ISO 31000:2009

Work Health & Safety Act 2011

Work Health & Safety Regulations 2011

### **Associated Records**

Nil, at date adopted.