

**Policy Number: SVC-RM-PO-003-03**

By adopting a risk management framework and embedding a culture of risk management Council will be able to understand the risks for Council now and into the future, protect its employees, assets, maximise opportunities and minimise negative outcomes or potential losses.

Effective risk management aims to mitigate any uncertainty surrounding Council being able to achieve its strategic goals and operational objectives.

## Legislation

Council is guided by the *Local Government Act 1993*, the *Civil Liability Act 2002*, as well as Australian Standards and Statewide Mutual's Best Practice Manuals for the management of risk.

## Definitions

**Risk** - means the chance of something happening that will have an impact upon objectives. It is measured in terms of consequences and likelihood.

**Risk Management** - is the process consisting of well-defined steps which, when taken in sequence, support better decision making by contributing to a greater insight into risks and their impacts. The Risk Management process can be applied to any situation where an undesired or unexpected outcome could be significant or where opportunities are identified. It is as much about identifying opportunities as it is about avoiding losses.

## Scope

This policy applies to all areas of Council's operations and workers including volunteers, contractors and consultants, and all levels of the organisation.

## Overview

Risk Management is the culture, processes and structures that are directed towards realising potential opportunities whilst managing adverse effects. It is a process of continuous improvement that is to be embedded in all the practices and processes of Council. Risk Management promotes communication between all stakeholders and improved information flow enhances the decision making process.

Snowy Valleys Council will use the AS/NZS ISO 31000:2009 Risk Management Principle and Risk Management Guidelines as the main source of guidance for the development, implementation, consultation and review of the Risk Management Framework.

The objectives of this Risk Management Policy are to effectively utilise the human, financial and other resources available to minimise injury, loss and exposure to litigation through: -

- Increased knowledge and understanding of exposure to Risk and to create an environment where all council employees will assume responsibility for managing risk;
- Creating a best practice and quality organisation;
- A systematic, well-informed and thorough method of decision making;
- Effective strategic planning;
- Ensure legislative compliance;
- Enhancing ratepayers' value by minimising losses and maximising opportunities;
- Minimise disruptions;
- Safeguard and enhance Snowy Valleys Council assets;
- Better cost control;

- Better utilisation of resources;
- Strengthening a culture for continued improvement; and
- Increasing preparedness for outside review.

Council will:

- Manage risk based upon AS/NZS ISO 31000:2009 Risk Management standard and other relevant guidelines and standards;
- Pursue a Corporate Risk Management approach involving all risks and all levels of Council organisation;
- Ensure that Council appropriately manages risk in line with its risk appetite and tolerances
- Implement this Policy through its Risk Management Plan and Framework;
- Make informed judgements concerning the level and costs of risk involved in achieving cost-effective outcomes;
- Monitor and report compliance with this Policy by providing reports to the Audit, Risk and Improvement committee on the status of Risk Management within Council and identify the need for specific areas for review.

This policy applies to all Council activities, including but not limited to:

- Human Health & Safety – employees and others;
- General liability issues - Public Risk, Councillors & Officers Liability and Professional Liability;
- All Asset and Property issues – Council owned and/or responsible – including Information Technology;
- Environmental issues;
- Business Interruption, Disaster and Emergency Planning;
- Contractual, Economic and Financial issues

The risks associated with these areas of activity will normally be identified, analysed and managed by responsible officers in each of the functional areas of Council, however some major projects or activities may require the allocation of specific resources to the risk management process. **Budget considerations will necessitate the allocation of funds in order of risk priority.**

The Risk Management Framework consists of this Risk Management Policy, supported by various Policy Statements that have been endorsed by Council, and further supported by documented Procedures, Work Instructions and Checklists and any other documentation that may be deemed necessary for the effective implementation, training, operation and monitoring of the Risk Management framework within the Council.

### **Support available to assist those responsible for risk**

This policy is to be implemented in accordance with Australian Standard AS/NZS ISO 31000 and the Best Practice Manuals as issued by the Board of Management, Statewide Mutual.

Council will maintain active membership of the Riverina Regional Risk Management Group.

Council shall employ Risk Management Officers and appoint a Safety, Risk and Quality Management Committee to assist with the coordination and implementation of this policy. The Safety, Risk and Quality Management Committee terms of reference will be consistent and will compliment this policy.

## **Responsibilities**

### **Council – Elected members of Council**

- Council recognises its responsibilities for the Risk Management Framework

- Council will support the adoption of a risk management framework by the consideration and allocation of appropriate resources for the implementation and maintenance of the framework.

### **The General Manager**

Is responsible for the establishment of the risk management system throughout the organisation and has the ultimate responsibility for the implementation of the Risk Management Policy and Framework.

- Assign appropriate responsibilities and accountabilities to the Directors.
- Establish performance measure and monitor the organisations objectives.

### **Executive**

Departmental Directors are responsible for the effective implementation of the Risk Management Framework within their respective departments.

- Assign appropriate responsibilities and accountabilities to individual positions within their directorate and monitor individual performance against objectives.
- Create an environment where managing risk is an accepted day to day task.

### **Employees and Volunteers**

- Are accountable for managing risk within their area of responsibility.
- Ensure that the appropriate risk management tools and template are used in the correct manner.
- Monitor work assessments, determine control measures for risks identified and escalate any significant risks up to management in accordance with the risk matrix guidelines.
- Are responsible to ensure that documentation is compiled correctly, risk assessments are conducted and implementing control measure to minimise risks.
- Identified high level risks are escalated as required to supervisors and team leaders.

### **Contractors**

- Contractors are responsible for managing risk within their contract bounds.
- Contractors are to provide risk management documentation to the Council Contract Manager including identified control measures.
- Identified high risks are reported to the Council Contract Manager.
- Contractors that have no WHS system will be required to meet Council WHS standards

### **Corporate Risk Management Officer**

- Is responsible for maintenance and upkeep of this policy and associated documentation.
- Is responsible for coordinating the activities of the Safety, Risk and Quality Management Committee

### **Audit, Risk and Improvement Committee**

- Is responsible for providing independent assurance and assistance to the Snowy Valleys Council on risk management, control, governance and external accountability responsibilities.

### **The Safety, Risk and Quality Management Committee's role is to:**

- Implement the Snowy Valleys Council Risk Management Policy and associated documents.
- Develop and implement the risk management framework and make recommendations for continuous improvement of the risk management framework.
- Ensure the risk management frameworks objectives align with organisational objectives and values
- Continually monitor the risk management framework and associated documents for improvement
- Make recommendations to Council, and provide advice and assistance to all departments and the Executive on issues related to risk management implementation, compliance and performance

- To make requests to Council for recurrent and discretionary allocation of funding to carry out the Risk Management Framework.
- Audit and risk / other
- Report minutes to Audit, Risk and Improvement Committee

### Key Performance Indicators

Effectiveness indicators may include, but not be limited to:

- Reported Incidents;
- General complaints/advice of potential hazards;
- Litigation against Council;
- Completed staff training;
- Intervention and inspection levels as detailed for AUS-SPEC and other
- Standards adopted by Council; and
- To meet statutory reporting requirements.

**Contact Officer:** Corporate Risk Management Officer

### Associated Documents

**External** - AS/NZS ISO 31000:2009 Risk Management Principles and guidelines  
Statewide Best Practice guides

**Internal** - Snowy Valleys Risk Management Framework  
Snowy Valleys Continuous Improvement Action Plan

### Superseding Policy No. and Title:

Tumut Shire Council Risk Management Policy – RM.05 last amended 5 October 2012 by Council Resolution 148.

Tumbarumba Shire Council Risk Management Policy – TSC-RM-PO-043-05 last amended 17 July 2013 Council resolution M191 dated 26 September 2013.

**Policy prepared by:** Risk Management Officer Tumut and Corporate Support Officer Tumbarumba

### History table:

Version Control No	Development /Amendment Date	Approval Date	Resolution Number	Activity log
0	12.9.2016			Prepared by Risk Management Officer (Tumut) and Corporate Support Officer (Tumbarumba)
0	29.11.2016			Amended by RM committee Snowy Valleys Council
0		28.02.2017		Presented to Policy Review Committee
1		23.03.2017	M29/17	Adopted by Ordinary Council Meeting
2	25.1.2018			Amended by committees recommendation 31.10.2017
3		7.2.2018	ARI.03	Adopted by Audit Risk and Improvement committee