

## RISK MANAGEMENT POLICY

**Policy Number:** POL16/204 • **Adopted:** 27/07/2004 • **Amended:** 26/09/2006, 28/07/2009, 26/11/2009, 23/03/2010, 24/09/2013, 20/03/2018 • **Minute Number:** MIN04.853, MIN06.1214, MIN09.967, MIN10.285, MIN13.958, MIN18.176 • **File:** 25218E • **Produced By:** Finance Corporate & Community Services Group • **Review Date:** 1/12/2020

### 1. PURPOSE

To ensure a consistent approach in managing risks to Council through the implementation of enterprise risk management across the organisation in accordance with the risk management methodology established in AS/NZS ISO 31000:2009 Risk Management Principles and Guidelines.

### 2. STATEMENT

Shoalhaven City Council is committed to the management of risk as an integral part of its governance and operations, focusing on strategies to minimise risks to the achievement of Council's vision and objectives in order to benefit the community through the efficient and effective fulfilment of Council's charter and functions.

The management of risk is to be integrated into Council's existing governance, planning and operational processes.

To meet this commitment, risk is to be everyone's business. All employees are required to be competent and accountable for managing risk, so far as is reasonably practicable within their area of responsibility.

Sound risk management principles and practices will be part of the normal management strategy for all of Shoalhaven City Council's operations.

### 3. RESPONSIBILITIES

The Elected Council commits to adopt this risk management framework and risk management will be an integral part of the decision making process.

The General Manager is responsible for ensuring risk is managed across all Council operations.

Managers at all levels are responsible for the implementation and maintenance of sound risk management processes within their area of responsibility in conformity with this policy and to create an environment where the management of risk is accepted as the personal responsibility of all employees and contractors.

All employees are to be actively involved in the management of risk. The accountability for the management of risk is to be reflected in all individual position descriptions and key performance indicators.

The Finance Corporate and Community Services Group is responsible for the development and provision of risk management training, advice and assistance to all groups on risk management matters. Further advice may also be obtained through Council's Legal Services Unit.

#### **4. IMPLEMENTATION**

The Council's enterprise risk management system is based on key risk management principles, that is, it will:

- create and protect value
- be an integral part of all organisational processes
- be part of all decision making
- be systematic and structured
- be dynamic, iterative and responsive to change
- facilitate continual improvement

Council adopts the Enterprise Risk Management Framework in Appendix 1 as the fundamental framework for risk management in Council.

The implementation of this Risk Management Policy will require commitment and resources at all levels of Council's organisation.

#### **5. REVIEW**

Within 12 months of the date of the election of a new Council or as a result of any changes which cause a review of this policy.

#### **6. APPLICATION OF ESD PRINCIPLES**

None applicable.

APPENDIX 1

**ENTERPRISE RISK MANAGEMENT FRAMEWORK**

