| | **2.4.02: RISK MANAGEMENT** | |
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| | Administration Policy | |
| | TRIM Reference | AR19/51348 |
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**PortAugusta**
CITY COUNCIL

## 1. POLICY STATEMENT

1.1 Council is committed to maintaining and applying governance and risk management principles to ensure that any impacts to strategic and business objectives are considered and analysed.

1.2 Council will adopt and implement a systematic approach to identify, assess, evaluate and treat (mitigate) risks. The risk management program involves identifying opportunities to ensure Council achieves its strategic goals whilst recording its operational risks.

1.3 All risk registers will be periodically and consistently reviewed in accordance with set timeframes identified in the Risk Framework.

## 2. PURPOSE

### 2.1 Purpose

The purpose of the Risk Management Policy (the Policy) is to enable an integrated approach to risk management through:

a) Port Augusta City Council's commitment to core risk management principles;

b) Specifying responsibilities for the application of risk management and profiling programs across Council operations;

c) A Risk Management Framework providing the tools and programmes to underpin Council's approach to achieving a balance between the costs of managing a risk and the anticipated benefits.

### 2.2 Scope

PERFORMANCE MEASURES

The performance of the risk management program will be measured through three distinct categories:

a) Compliance with this Policy and related documentation

b) Value add to the whole of Council

c) Maturity of Councils Risk Culture

### 2.3 Definitions

Definitions are outlined within Council's Risk Management Framework.

### 2.4 Strategic Reference

**6      We Achieve**
6.3      We aim to provide good governance practices and compliance with all legislative requirements in delivery of services.

**3. PRINCIPLES**

3.1 The management of risk is recognised as an integral part of good management practice and is an essential component of effective corporate governance. Risk Management leads to the successful achievement of Council's Vision, Strategic Plan Objectives and community expectations.

3.2 A Risk Management Framework ("the Framework") is established to achieve the objectives of the Policy.

The Framework:

- Aligns to the objectives of the Policy;
- Ensures consistency in the risk management process & establish roles and responsibilities for managing risks;
- Establishes a standardised, formal and structured process for assessment and treatment of identified risks;
- Encourages innovation by integrating risk management into the strategic and operational processes across all Departments of Council;
- Ensures that Council maximises its opportunities, whilst minimising any impacts arising from identifying and evaluation risks;
- Ensures that all risks outside the appropriate risk level are escalated to the relevant manager;
- Ensures that (standard) reporting protocols are established for information dissemination across all Council areas; and
- Assists in the development of a continuous improvement culture, integrating the risk management process into overall Council processes.

3.3 Councils Risk Management Framework includes the methods and processes used to manage risks and identify opportunities to achieve defined objectives. Risk Management is not just about the risk assessment process nor is a stand-alone discipline. In order to maximise risk management benefits and opportunities, it requires integration through Council's entire operations.

3.4 **ROLES AND RESPONSIBILITIES**

3.4.1 **Management Group (MG)**

Members of the Management Group are responsible for:

a) Commitment to promotion of this Policy and the Framework whilst monitoring Council's overall risk profile and controls;

b) Reporting the risk profile and mitigation strategies to the Audit Committee;

c) The implementation, management and evaluation of risk management, in accordance with the Policy and Framework within their areas of responsibility;

d) Undertaking the risk management program as per the requirements of the Policy and Framework. Risk based information must be recorded in Council's Master Hazard Register and Corporate Risk Register.

3.4.2 **Risk Management Team (Governance & WHS)**

The Risk Management Team is responsible for:

a) Assisting the Management Group to undertake the risk management program in a systematic and standardised manner;

b) Development and maintaining the Risk Management Framework and associated programs. This includes the review of the Framework;

c) Development and maintenance of a Master Hazard Register which contains the Corporate Risk Register (Operational and Strategic), including the recording of risk mitigation strategies;

d) Reporting with regards to Council's risk profile and mitigation strategies.

3.4.3 **Employees, Volunteers and Contractors (Workers)**

All Council Workers are responsible for:

a)        Identifying, evaluating and managing risks in their daily activities and projects;

b)        Adhering to the risk management framework.

## 3.5    AUDITS

3.5.1    Governance Audit
3.5.2    Annual & Interim Financial Audits
3.5.3    WHS Audits
3.5.4    Compliance Audit

# 4.    RESPONSIBILITY & REVIEW

## 4.1    Responsible Officer

**Chief Executive Officer (CEO)**

The CEO has the responsibility for ensuring the risk management framework is established and implemented across all of Council's activities.

**Council**

Council is responsible for the approval and adoption of this Policy and Framework, and endorsing the systematic approach to managing risk across Council operations.

**Audit Committee**

The Audit Committee is responsible for overseeing Council's risk management and audit requirements.   Reporting on risk management will be provided via Audit Committee Meetings.

## 4.2    Availability

This policy will be available on Council's website.

## 4.3    Review

This policy will be reviewed within 12 months of a General Election for Local Government, or as required to meet other obligations.

# 5.    REFERENCES

## 5.1    Legislation

Section 125 & Section 134(4)(b)  *Local Government Act 1999*

## 5.2    Other References

Aerodrome Emergency Plan
Business Continuity Plan
Departmental Emergency Evacuation Plans
Governance Framework and Statement
Governance Legislation Self-Audit Tool
Master Hazard Register/Corporate Risk Register
Risk Management Framework