Risk Management Policy

Version 1.0

DOCUMENT CONTROL

Document Title:	*Risk Management Policy*
Policy Type:	*Council*
Responsible Branch:	*Governance*
Responsible Officer:	*Manager Governance & Risk*
Document Status:	*ADOPTED*
Adopted By:	*Council*
Adopted Date:	*2 February 2015*
Review Date:	*January 2018*

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1. INTRODUCTION

1.1 Purpose

Warrnambool City Councils vision is to be a thriving, culturally rich and inclusive leading regional city. Warrnambool City Council will work in collaboration with the community to:

- Be a financially sustainable organisation
- Make Warrnambool a great place for people to live, work and visit
- Support and encourage creativity and innovation
- Create safe, connected and resilient communities that respect cultural diversity
- Strengthen community health and wellbeing
- Improve our environmental sustainability
- Maintain our strong sense of community pride
- Encourage and promote economic development

Warrnambool City Council is an organisation where the risks are many and diverse. We need to ensure that all activities undertaken are done so by using a Risk Management based approach. This policy and the Risk Management Framework aim to provide the guidance and documentation to enable all staff to adopt this approach.

1.2 Scope

In support of this policy Council will maintain a risk management framework that provides a consistent and systematic approach to risk management. This policy applies to all of Warrnambool City Council's operations and functions.

1.3 Definitions

Term	Definition
Risk	is a chance that an event could/will occur that will impact on organisational objectives. It is measured in terms of consequence and likelihood. (effect of uncertainty on objectives – AS/NZS ISO 31000-2009)
Risk Management	Coordinated activities to direct and control an organisation with regard to risk (AS/NZS ISO 31000 - 2009).
Risk Management Framework	Is the set of components that provide the foundations of risk management (policy, objectives and commitment to manage risk) and organisational arrangements (procedures, plans, relationships, accountabilities, resources, processes and activities) for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

1.4 References

Australian Standards	AS/NZS ISO 31000: 2009 Risk Management – Principles and Guidelines.
Council Related Procedures/Guidelines	• Risk Management Strategy • Risk Management Procedure

2. POLICY STATEMENT

Our policy is to identify and manage risk in accordance with approved standards and continually improving practices.

We are committed to the identification, measurement, monitoring and mitigation of risks wherever they present a threat or an opportunity to Council's objectives.

The goal is not to eliminate risk, rather to manage the risks to maximise our opportunities and minimise negative outcomes.

In support of this policy and implementing the Risk Management Framework Warrnambool City Council commits to the following risk management objectives/statements:

- We will apply a coordinated and integrated approach to risk management across Council. Consistent with the principles of AS/NZS ISO Standards.
- Council through its Audit and Risk committee shall ensure the establishment, implementation and ongoing review of the Councils risk management framework, internal compliance and control systems.
- Risk management will be an integral part of planning and decision making processes.
- We will adopt risk management strategies which promote confidence in the achievement of optimal business & community outcomes.
- We will establish a culture of risk consciousness within our organisation and promote risk awareness with our stakeholders.
- Communication within the stakeholder community in relation to the identification and management of risk is encouraged.
- We will develop and continually improve risk management practices based on established standards and industry practice.
- We will apply a coordinated and integrated approach to risk management.
- There is accountability assigned to all those with risk management responsibilities.
- Council staff will be provided with the necessary training to allow them to undertake their risk management duties.

- All staff with risk management roles and responsibilities are provided with the necessary authority to undertake these responsibilities.
- We will extend our risk management capabilities to our agents (contractors and business partners) to enhance management of their project risks, or use of their policies and procedures if considered suitable.

3. RISK APPETITE

Council is not averse to accepting risk if a thorough risk assessment has been carried out and when appropriate contingency plans and mitigation strategies to manage or reduce risk have been developed.

In particular, Council recognises that in order to achieve its objectives and capitalise upon opportunities it will need to accept some level of well managed risk inherent in the following activities:

- Improvements to services
- Improved efficiency of Council operations
- When the cost of mitigating risk is higher than potential loss (unintended consequences must be investigated and approval sought).
- When short term resistance may be experienced but long term gains are proven.

Council has low appetite for risks that foreseeably may:

- Compromise the safety and welfare of staff, volunteers, third party agents and members of the community
- Constitute a breach of regulation and legislation

4. ACCOUNTABILITY & RESPONSIBILITIES

Council has oversight of the risk management process through the Chief Executive and Council's Audit and Risk Committee.

The Chief Executive holds the ultimate responsibility for ensuring that Risk is managed across the Council

The Chief Executive and Directors are responsible for monitoring the implementation of the Risk Management framework.

Directors are responsible for their directorates risk management performance.

The Audit and Risk Committee is responsible for reporting to the Council and reviewing management's approach to risk.

The Governance and Risk branch is responsible for the development, facilitation and implementation of the Risk Management framework.

The Risk Management Review Panel (comprising Chief Executive, Directors, Manager Governance & Risk Services Coordinator) is responsible for setting Councils risk appetite and is responsible for overseeing and reviewing the framework.

Managers, Coordinators, Team Leaders, Supervisors are accountable for implementing the Risk management framework in their area of responsibility and escalating matters which are outside of their authority.

Staff members and volunteers must participate in any training requested and comply with Council's risk management requirements - notably identifying and reporting of financial and non-financial sources of opportunity and risks relevant to their areas of activity.

It is recommended all agents and contracted service providers participate in any risk management training requested by Council and comply with Council's risk management requirements.

NB: More specific accountability and responsibility statements are detailed in the Risk Management Procedures.

5.   GOVERNANCE

5.1   Owner

The Manager Governance & Risk is responsible for monitoring the currency and viability of this policy and updating it when required.

5.2   Review

The Manager Governance & Risk will review the policy for any necessary amendments no later than three years after its formulation or after the last review.

5.3   Charter of Human Rights Compliance

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007).

Warrnambool City Council is committed to consultation and cooperation between management and employees. The Council will formally involve elected employee health and safety representatives in any workplace change that may affect the health and safety of any of its employees.