

## PURPOSE

The purpose of this policy is to ensure that Council has appropriate risk management practices and procedures in place to minimise Council's exposure to risks which may adversely impact its ability to carry out its functions and achieve its objectives.

## SCOPE

This policy applies to all risk management activities undertaken by Council.

## STRATEGIC PLAN ALIGNMENT

### Making Lives Better

- Objective 1.1 Know our communities and what they value
- Strategy 1.1.1 Guide decision making through continued community engagement based on our community plan

### Leading Our Community

- Objective 4.1 Govern in the best interests of our community
- Strategy 4.1.1 Manage Council for maximum efficiency, accountability and transparency
- Strategy 4.1.3 Maximise regulatory compliance in Council and the community through our systems and processes
- Objective 4.2 Prioritise our resources to achieve our community's goals
- Strategy 4.2.1 Deploy the Council's resources effectively to deliver value

## STATUTORY REQUIREMENTS

<b>Acts</b>	N/A
<b>Regulations</b>	N/A
<b>Australian/International Standards</b>	AS/NZS ISO 31000:2018 Risk management –Guidelines

## DEFINITIONS

<b>Consequence</b>	The outcome of an event that impacts Council's objectives.
<b>Controls</b>	Any action which modifies a risk. It may include policies, procedures, directives, technology, devices, laws or techniques. Risk treatments become controls once implemented.
<b>Enterprise risk</b>	Risks which are identified and assessed as having an impact at an organisational level.
<b>Executive Leadership Team (ELT)</b>	The General Manager and Directors of Council.

<b>Level of risk</b>	The magnitude of the risk. It is estimated by assessing the likelihood and consequence(s) of the risk.
<b>Likelihood</b>	The chance that something might happen.
<b>Monitor</b>	To supervise, observe, scrutinise and continually check.
<b>Current risk</b>	The risk assessed including current controls and their effectiveness on mitigating the risk.
<b>Review</b>	This is a reconsideration of the risk given the context, controls and nature of the risk.
<b>Risk analysis</b>	An exploration of the risk to consider its: <ul style="list-style-type: none"> <li>• Source;</li> <li>• Impact;</li> <li>• Likelihood;</li> <li>• Context; and</li> <li>• Potential controls.</li> </ul>
<b>Risk appetite</b>	The type and level of risk Council is willing to accept or pursue.
<b>Risk evaluation</b>	The process of assessing the outcomes of the risk analysis with the approved risk appetite to determine if the level of risk is acceptable or requires further treatment.
<b>Risk identification</b>	The process of recognising and detecting risk. This process can include assessing: <ul style="list-style-type: none"> <li>• Incident reports;</li> <li>• Audit findings;</li> <li>• Legislation / regulation updates and changes; and</li> <li>• Regulator’s feedback / reporting.</li> </ul> Using the experience and knowledge of staff and contractors.
<b>Risk owner</b>	The person with the responsibility and delegated authority to manage that risk.
<b>Risk tolerance</b>	Council’s willingness to accept a level of risk after controls and treatment have been applied.
<b>Risk treatment</b>	Identifying and applying additional processes / controls which are intended to mitigate the risk.

## POLICY STATEMENT

1. Council recognises that risk management is essential for effective strategic and financial planning, and for the continuing operations of Council.
2. Council will ensure that the organisation, its employees, and the Glenorchy community are protected against loss through the application of sound risk management practices.
3. Council will establish and maintain a Risk Appetite Statement, approved by Council, which will be used by Council Officers and Contractors to define Council’s risk tolerances in carrying out the work of Council.
4. Council will establish and maintain a Risk Management Framework which sets out Council’s approach to identifying and managing risks that, if realised, may prevent Council from carrying out its functions and achieving its objectives.
5. Council’s Risk Management Framework (which includes this policy) will:
  - (a) be based on the principles in the AS/NZS: 31000:2018 Risk Management –Guidelines and any supporting documents to that standard

- (b) include, at a minimum, a Risk Management Directive and a Risk Management Procedure which, collectively, will clearly articulate Council’s risk management philosophy and the processes and procedures for identifying risks, analysing and assessing risks, treating and controlling risks, and monitoring, reporting and reviewing risks, and
  - (c) provide an appropriate administrative structure to meet the Council’s agreed policy objectives and organisational responsibilities for the management of risk.
6. Council will review its risk management practices regularly, to ensure that:
- (a) Council is meeting its risk management obligations carrying out its risk management activities in line with best practice
  - (b) Council has a detailed and current understanding of the nature of risks facing the organisation and strategies in place to eliminate or mitigate them, and
  - (c) Council’s current risk management practices are meeting its objectives as articulated in the Risk Management Framework.
7. Council will use its best endeavors to develop and promote a culture of risk management awareness among its staff, in which an understanding of Council’s risk management philosophy, processes and procedures forms part of Council’s decision making at all levels.

## BACKGROUND

Due to the nature and multitude of services that Council provides to the community, Council faces a large and diverse number of risks. In order to protect the interests if the community it represents, it is necessary for Council to manage risk effectively through a robust risk management framework. Apart from minimising financial loss and adverse publicity, Council’s risk management practices must balance legal requirements and public expectations, and provide for the safety and wellbeing of employees, contractors and the community in general.

## DOCUMENT CONTROL

<b>Version:</b>	2.0	<b>Adopted</b>	27 September 2021	<b>Commencement Date</b>	28 September 2021
<b>Minutes Reference</b>	Item 11			<b>Review Period</b>	4 Years from adoption
<b>Previous Versions:</b>	v 1.0 adopted 2 October 2017 (Council meeting, Item 9)				
<b>Responsible Directorate</b>	Corporate Services	<b>Controller:</b>	Manager Corporate Governance		
<b>ECM Document No.:</b>	Policies by Directorate				