

Attachment 11.5.1

Policy Number:	RM 1
Policy Type:	Risk Management
Policy Name:	Risk Management
Policy Owner:	Chief Executive Officer
Authority	Shire of Nannup

OBJECTIVE

To develop a culture and awareness across the organisation in applying risk management processes and practices to ensure effective management and mitigation of adverse effects and events to ensure a safe workplace and reduce the potential costs of risk through the implementation of a risk management framework.

POLICY

This policy covers all activities of the Shire of Nannup from operational, strategic and improvement activities and specific projects.

The Shire of Nannup is committed to the principles of managing risk as outlined in AS/NZS ISO 31000:2018 Risk Management – Guidelines by maintaining a risk management process that deals with identification, analysis, evaluation, treatment, monitoring, reviewing recording and reporting risk to prevent unnecessary injury, loss or damage relating to the Shire's activities it undertakes.

This policy does not provide detailed guidance on:

- Human resources management - refer to the Human Resource Policies.
- Workplace environment and Safety – refer the Work health and Safety (WHS) Policy.
- Financial Management – refer to the financial management policies.

DEFINITIONS

Risk: As defined in AS/NZS ISO 31000:2018 as *“effects of uncertainly on objectives”*. A risk is often specified in terms of risk sources, potential events or circumstances and the consequences and likelihood that frow from it.

Risk Management: AS/NZS ISO 31000:2018 defines risk management as *“coordinated activities to direct and control an organisation with regard to risk”*.

Risk Management Framework: ISO Guide ISO Guide 73:2009 Risk Management - Vocabulary defines a risk management framework as a *“set of components that provide the foundations and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organization”*.

LEGISLATIVE REQUIREMENTS

Local Government Act 1995 – Section 5.41

Local Government (Audit) Regulations 1996 – Regulation 17

RISK MANAGEMENT ADVISORY COMMITTEE

The Risk Management Advisory Committee will ensure that all risk management processes are fully recorded throughout the Shire and documented through the Shire's records management system. This will include regular monitoring to ensure closeout of risks and identification of ongoing issues and trends.

REPORTING

The Risk Management Advisory Committee (RMAG) will report regularly to the CEO on the risk management standards and their implementation.

Related Policies	Nil
Related Procedures/Documents	Risk Management Framework and Procedures
Delegated Level	Executive Manager Corporate Services, Manager Infrastructure
Initially Adopted	OM 28 September 2006
Reviewed	OM 15 March 2024