

SHIRE OF NANNUP – Council Policy



Policy Number:	RM1
Policy Type:	Risk Management
Policy Name:	Risk Management
Policy Owner:	Chief Executive Officer
Date of Approval	22 August 2024
Council Resolution #	220824.14

POLICY STATEMENT

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.

OBJECTIVE AND PURPOSE

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 uncertainty on objectives*”. A risk is often specified in terms of risk sources, potential events or circumstances and the consequences and likelihood that flow 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*”.

IMPLEMENTATION

~~RISK MANAGEMENT ADVISORY COMMITTEE~~ Council

Council is ultimately responsible for oversight of the Shire's risk management framework and for ensuring that effective systems of risk management and internal control are in place.

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.

Audit, Risk and Improvement Committee (ARIC)

In the context of this Policy the Audit, Risk and Improvement Committee provides independent oversight and assurance to Council in relation to risk management systems and practices.

Chief Executive Officer

The CEO is responsible for promoting and embedding a risk-aware culture across the organisation and for ensuring the effective implementation of this Policy and related risk management documentation.

Staff

All staff are responsible for identifying, managing, monitoring and reporting risks within their areas of responsibility in accordance with the Risk Management Framework and Risk Management Procedure.

REPORTING

All employees report risks, incidents and risk-related matters through their respective management channels to the Executive Management Group.

The Chief Executive Officer is responsible for reporting on the effectiveness of risk management systems and material risk issues to the Audit, Risk and Improvement Committee.

The Audit, Risk and Improvement Committee reports to Council and provides independent oversight and assurance in relation to the Shire's risk management framework and practices.

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

DISPUTE RESOLUTION

All disputes regarding this policy will be referred to the Executive Manager Corporate Services in the first instance. In the event that an agreement cannot be reached, the matter will be submitted to the CEO for a ruling.

EVALUATION AND REVIEW

Revision Frequency - Annual (1yr) , Biennial (2yr) , Triennial (3yr)

RELATED DOCUMENTS

Risk Management Framework, Risk Management Procedure and Risk Register, which together

define the Shire's approach to identifying, assessing, treating and monitoring risk.

Risk Management Framework and Procedures

REFERENCES

Local Government Act 1995 – Section 5.41

Local Government (Audit) Regulations 1996 – Regulation 17

RESPONSIBILITY FOR IMPLEMENTATION

Executive Manager Corporate Services

Version	Council Approval Date:	OCM Ref #	Date Document Ceased	ECM Ref.#
1.	28 September 2006		21 August 2024	
2.	22 August 2024	220824.14		INT25/769B3C4C
3.				