

<b>Policy title</b>	Risk Management Policy
<b>Responsible manager(s)</b>	Corporate Manager Governance & Administrative Services
<b>Contact officer(s)</b>	Corporate Manager Governance & Administrative Services
<b>Directorate</b>	Finance and Corporate Services
<b>Approval date</b>	19 September 2023
<b>Focus area</b>	Our engaged community with progressive leadership
<b>Delivery Program link</b>	5.2.2 Implement effective governance and long-term planning
<b>Operational Plan link</b>	5.2.2.2 Review Council policies

## Purpose

This policy affirms Eurobodalla Shire Council's commitment to risk management and reflects the value it places on the management of risk throughout the organisation. This policy recognises the varied and complex work environments of Council and our areas of specialist service delivery.

Eurobodalla Shire Council is committed to taking a structured and innovative approach to the management of risk throughout the organisation in order to promote and demonstrate good corporate governance, to minimise loss and maximise opportunities to improve service provision.

The Risk Management approach utilised by Eurobodalla Shire Council in the development of the Risk Management Plan is AS/NZS ISO 31000:2018 together with the requirements of the Work Health and Safety Act 2011 (NSW), the Office of Local Government Guidelines for Risk Management and Internal Audit for Local Government in NSW. These will be incorporated into the Planning, Governance, Assets Management and Operational Processes of Eurobodalla Shire Council.

To ensure ongoing conformity with AS/NZS ISO 31000:2018, this policy will:

- State the risk management objectives of Eurobodalla Shire Council;
- Identify the elements of Eurobodalla Shire Council's risk management system required for the control of risk;
- Be documented, implemented, maintained and communicated to all employees;
- Be available to other interested parties; and
- Be reviewed periodically (at least every 2 years) to ensure it remains relevant and appropriate.

## Policy aims

To provide direction and commitment to Risk Management principles as part of Eurobodalla Shire Council's management planning, decision making and the undertaking of operational activities.

To effectively integrate the management of risk into Eurobodalla Shire Council's high level management planning activities to ensure the achievement of its strategic objectives as outlined in the Community Strategic Plan and associated documents. The Risk Management Framework (incorporated into the Risk Management Plan) includes Risk Management being integrated with Eurobodalla Shire Council's Integrated Planning and Reporting Structure.

To apply and incorporate the Risk Management Framework into Eurobodalla Shire Council's operational activities and business planning processes.

To promote an environment of risk awareness and willingness to manage risk at all levels of Eurobodalla Shire Council's operations.

To provide opportunities that encourages continuous improvement of the Risk Management Program at all levels of the organisation.

To ensure, through the application of this Policy:

- That the Council, General Manager and Executive Leadership Team are in a position to confidently make informed strategic, project and operational decisions based on Risk Management Principles;
- That the requirements of the Office of Local Government's Guidelines for Risk Management and Internal Audit for Local Government in NSW are satisfied;
- That all reasonably foreseeable risks are systematically identified, assessed, analysed, prioritised and considered for appropriate treatment with all information documented in Eurobodalla Shire Council's electronic risk system;
- The correct assigning of ownership of risks through appropriate delegation of risk management responsibilities to all Eurobodalla Shire Council's officers across all functional areas of Eurobodalla Shire Council;
- That all relevant legislation is complied with and relevant risk management standards (currently AS/NZS ISO 31000:2018) are used to provide guidance in best risk management practices;
- The effective management and allocation of resources through more targeted and effective controls;
- Improved protection of the community, Eurobodalla Shire Council Council's workers and volunteers, Council's assets and Council's financial integrity and sustainability;
- The effective communication of this policy through the development of a Risk Management Communication and Reporting Framework.

## Policy details

<b>1</b>	<b>Application</b> <p>This policy applies to all Eurobodalla Shire Council employees and all others at Eurobodalla Shire Council workplaces.</p>
<b>2</b>	<b>Legislation</b> <p>Council is guided by the <i>Local Government Act 1993</i>, the <i>Civil Liability Act 2002</i>, as well as Australian Standards and Statewide Mutual's Best Practice Manuals for the management of risk and the Office of Local Government Guidelines for Risk Management and Internal Audit for Local Government in NSW.</p>
<b>3</b>	<b>Context</b> <p>Risks exist in all aspects of Eurobodalla Shire Council's undertakings. AS/NZS ISO 31000:2018 defines risk as the 'effect of uncertainty on objectives'. An effect is a deviation from the expected, whether it be a negative or positive (realising opportunities) deviation.</p> <p>The effective implementation of this policy will ensure that the management of risk is seen as good business sense and provide a way to confidently know which risks to take for the benefit of a greater opportunity, which risks to avoid in order to prevent significant impact on the organisation and managing the outcomes for success in order to achieve Eurobodalla Shire Council's key objectives.</p> <p>It is essential that risks are managed to ensure that Eurobodalla Shire Council achieves its objectives; and in turn be recognised for the excellence of its services and for the strength of its partnerships with the community, customers, employees and stakeholders. Risk Management plays a key role in ensuring that Eurobodalla Shire Council achieves that objective.</p>
<b>4</b>	<b>Responsibilities</b> <p>The Council, General Manager, Directors, Divisional Managers, and all workers of Eurobodalla Shire Council are to be familiar with, and competent in, the application of the Risk Management Policy, and are respectively accountable for the delivery of the Policy within their areas of influence and responsibility. These are outlined in Eurobodalla Shire Council's Risk Management Plan.</p>

## Implementation

Requirements		Responsibility
<b>1</b>	<b>Risk Management Plan</b> <p>Eurobodalla Shire Council's Risk Management Plan is the document that articulates how the intent of the Risk Management Policy (this policy) is to be communicated and implemented throughout Eurobodalla Shire</p>	Corporate Manager Governance & Administrative Services

	<p>Council's operations. It provides clear guidance and the associated processes, procedures and standards that are to be observed.</p> <p>Effective communication is critical to the successful implementation of the policy. Eurobodalla Shire Council is to develop and implement a Communication Strategy that will ensure the policy and its intent is known, clearly understood and applied by all workers within Eurobodalla Shire Council.</p> <p>Similarly, a Reporting Strategy will provide effective channels for information, decision making and instructions to be relayed efficiently and effectively in order to successfully manage any potential risk that may impact on the achievement of Eurobodalla Shire Council's objectives. It is the responsibility of all Eurobodalla Shire Council workers to follow these protocols.</p> <p>Eurobodalla Shire Council is committed to the proactive approach to risk management, to continually review its effectiveness and to be flexible enough to adapt to the changing needs of the organisation. A performance review of the effective implementation of the Risk Management Plan and activities will be conducted on an ongoing basis by the Audit, Risk and Improvement Committee. This review will serve to further enhance Eurobodalla Shire Council's performance that will see Council as a proactive and resilient leader by the community.</p>	
2	<p><b>Committee</b></p> <p>The Audit, Risk and Improvement Committee will oversee the development and implementation of the enterprise risk management system with the objective to:</p> <ul style="list-style-type: none"> <li>• Endeavour to provide a safe environment for residents and visitors</li> <li>• Proactively manage Council risks</li> <li>• Minimise injury, loss and exposures to litigation</li> <li>• Establish future direction of Eurobodalla Shire Council for the management of risk.</li> </ul>	Audit, Risk & Improvement Committee
3	<p><b>Record Requirements</b></p> <p>All documents associated with the risk management system and procedures are to be kept in the appropriate Eurobodalla Shire Council electronic record keeping system.</p> <p>All Eurobodalla Shire Council workers are responsible for the formal retention of any risk management documents.</p> <p>The location in Enterprise Contents Management (ECM) for the retention of the risk management system associated document is in S027-T00018.</p>	Council officers

<b>4</b>	<b>Conflicts of Interest</b> It is all employees' responsibility to ensure that there are no conflict of interest situations existing in undertaking their respective Council role. All conflicts of interest will be managed in accordance with Council's Code of Conduct Policy and procedures.	Council officers
<b>5</b>	<b>Staff</b> Under supervision, relevant Council staff will be responsible for ensuring that this policy is implemented appropriately within their work area, after they have received appropriate training to do so.	Managers and Coordinators
<b>6</b>	<b>Concerns</b> Public concerns communicated to Council in relation to this policy will be recorded on Council's records system and handled in accordance with Council's Customer Service or Complaints policy. These records will be used to determine any follow-up actions and analyse the history of reported public concerns.	Council officers
<b>7</b>	<b>Consultation</b> Any consultation deemed necessary will occur as required with key stakeholders, which may include (but not be limited to) the community, other agencies, statutory and industry bodies. Council's Executive Leadership Team and Divisional Managers have been involved in the Enterprise Risk Management Framework. Public submissions regarding this policy are invited for consideration during the exhibition period.	As applicable

## Review

The policy will be automatically revoked at the expiration of twelve months after the declaration of the poll for the next general NSW local government election, unless Council revokes it sooner.

**Note:** Automatic revocation of the policy is provided for by section 165(4) of the Local Government Act 1993. The next general local government election is expected to be held in September 2024.

This policy may also be reviewed and updated as necessary when legislation requires it; or Council's functions, structure or activities change; or when technological advances or new systems change the way that Council manages risk.

Reviews of the effectiveness of this policy could include the following:

Performance indicator	Data source(s)
Delivery Program/ Operational Plan outcomes achieved	Council reporting
Concerns or complaints registered	Council records
Customer feedback, survey responses	Surveys
Internal or external review	Audit

## Definitions

Word/ Acronym/ Phrase	Definition
Others	People who are present at a Eurobodalla Shire Council worksite or otherwise affected by work carried out by Eurobodalla Shire Council, who are not carrying out work for Eurobodalla Shire Council. Includes visitors to Eurobodalla Shire Council workplaces.
ECM	Eurobodalla Shire Council Electronic Content Management System.
WHS	Work Health and Safety.
WHS Officer	A person who makes, or participates in making, decisions that affect the whole or a substantial part of the business or undertakings of Eurobodalla Shire Council. Eurobodalla Shire Council's Officers are the General Manager and the members of Executive Leadership Team. For clarity, the WHS Legislation excludes elected members of Council from having Officer Responsibility.
Worker	Person who carries out work for Eurobodalla Shire Council, whether paid or unpaid, or directly or indirectly engaged. Includes an employee, labour hire staff, volunteer, apprentice, work experience student, subcontractor, and contractor.
Workplace	Includes all permanent and temporary workplaces and related facilities.

## Governance

This policy should be read in conjunction with any related legislation, codes of practice, relevant internal policies, and guidelines.

### *Related legislation and policies*

Name	Link
Related Council Policy or Code of Practice	<a href="#">Council policies and codes   Eurobodalla Council (nsw.gov.au)</a>
<i>Local Government Act 1993</i>	<a href="#">Local Government Act 1993 No 30 - NSW Legislation</a>
<i>Local Government (General) Regulations 2021</i>	<a href="http://www.legislation.nsw.gov.au/view/html/inforce/current/sl-2021-0460">www.legislation.nsw.gov.au/view/html/inforce/current/sl-2021-0460</a>
<i>Work Health and Safety Act 2011 (NSW) (WHS Act)</i>	<a href="http://www.legislation.nsw.gov.au/#/view/act/2011/10">www.legislation.nsw.gov.au/#/view/act/2011/10</a>

### *Related external references*

Name	Link
Office of Local Government Guidelines for Risk Management and Internal Audit for Local Government in NSW	<a href="http://www.olg.nsw.gov.au/councils/governance/risk-management-audit-and-internal-controls/risk-management-and-internal-audit-framework-for-local-councils-in-nsw/">www.olg.nsw.gov.au/councils/governance/risk-management-audit-and-internal-controls/risk-management-and-internal-audit-framework-for-local-councils-in-nsw/</a>

AS/NZS ISO 31000:2018	Risk management – Principles and guidelines
IEC/ISO 31010 2009-11	Risk management – Risk management techniques
ISO Guide 73:2009	Risk management - Vocabulary

#### Supporting documents

Name	Link
Enterprise Risk Management Plan	TBA

#### Change history

Version	Approval date	Approved by	Min No	File No	Change
1	25 Nov 2008	Council	08/326		Policy commenced
2	22 Sept 2009	Council	09/369	E09.3418	Reviewed and updated
3	27 Aug 2013	Council	13/246	E13.7095	Review and update new template
4	9 May 2017	Council	17/120	E16.0297 See list	Reviewed and updated (start of new Council term)
5	19 September 2023	Council	23/124	S004-T00060	Reviewed and updated (minor reference updates)

#### Internal use

Responsible officer	Director of Finance and Corporate Services			Approved by	Council
Minute #	23/124	Report #	FCS23/021	Effective date	19 September 2023
File	S004-T00060	Review date	September 2024	Pages	7