POLICY NO	CP GOV-3108	
POLICY	**Risk and Opportunity Management**	
RESPONSIBLE DIRECTORATE	Governance	
RESPONSIBLE OFFICER	Chief Executive Officer	
COUNCIL ADOPTION	Date: 18/07/2017	Resolution No: 11719
REVIEWED/MODIFIED	Date: 11/02/2019	Resolution No:
	Date:	Resolution No:
REVIEW DUE	Date: February 2024	
LEGISLATION	*Local Government (Audit) Regulations 1996*	
POLICIES	Nil	
OTHER DOCUMENTS	Australian Standard Risk Management Guidelines AS/ ISO 31000:2018 Shire of Wyndham East Kimberley Risk and Opportunity Management Framework	

PURPOSE

The purpose of this policy is to create an environment where Council, Management and Staff assume responsibility for Risk Management through consistent Risk Management practices. The Shire of Wyndham East Kimberley will follow an enterprise-wide Risk Management Framework and process to identify, mitigate and review areas of potential risk where appropriate and practical within the Shire.

DEFINITIONS

Risk the effect of uncertainty on objectives (AS ISO 31000:2018).

Note: An effect is a deviation from the expected, It can be positive, negative or both and can address create or result in opportunities and threats.

Note: Objectives can have different aspects and categories and can be applied at different levels.

Risk Management The application of coordinated activities to direct and control an organisation with regard to risk (AS ISO 31000:2018).

Risk Management Framework set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation (AS ISO 31000:2018)

Control the measure that maintains and/or modifies risk (AS ISO 31000:2018)

Note: Controls include, but are not limited to, any process, policy, device or other conditions/ or actions which maintain and/or modify risk

Delegated Officers are those Officers who have been delegated by the CEO through the Risk Management Framework and Registers to be accountable for the implementation and management of risk management within the organisation

POLICY STATEMENTS

Council is committed to the principles, framework and process of managing risk as outlined in AS/ISO 31000:2018.

Principles

The purpose of Risk Management is the creation and protection of value. It improves performance, encourages innovation and supports the achievement of objectives. The Shire considers risk management to be an essential management function in its operations.

The Shire's Risk Management principles should be integrated, structured, comprehensive, inclusive, dynamic and informative. The Shire's Risk Management policy should use the best information available, be customised to the organisation, consider human and cultural factors and focus on continual improvement.

Framework

The purpose of a risk management framework is to assist the organisation in integrating risk and opportunity management into significant activities and functions across the organisation. In accordance with the AS ISO Risk Management Standard 31000:2018, the Shire's framework will be designed to be integrated throughout all levels of the organisation, focus on continues improvement and be consistent within its implementation and evaluation methods.

The following commitments will be integrated into the Risk and Opportunity Management Framework and processes.

1. The Shire of Wyndham East Kimberley is committed at all levels to manage risk in accordance with the principles and guidelines detailed in the AS ISO Risk Management Standard 31000:2018
2. The Shire will implement a Risk Management Framework, which will form a consistent enterprise wide approach to managing, mitigating and reporting risk.
3. The Shire, in adherence with the Shire of Wyndham East Kimberley Risk and Opportunity Management Framework will prioritise identified strategic and operational risks and implement treatments based on the level of risk and current treatment controls.
4. The Shire will ensure that risk management processes are implemented into current strategic and operational planning processes.
5. The Shire will ensure all relevant contexts are considered when managing risk including legislation, political, social and economic factors.
6. The Shire will create a culture of risk awareness and ensure that adequate resources and operational capacity are provided and the responsibilities of risk management are clearly clarified and allocated.
7. The Shire will in adherence with the framework, monitor, review and report risk and opportunities through the escalation method set out in the framework.

Process

The Shire will manage risks continuously using a process involving the identification, analysis, evaluation, treatment and the monitoring and review of risks as outlined in the Risk and Opportunity Framework and in line with the AS ISO 31000:2018 standards. It will be applied

to decision making through all levels of the organisation in relation to planning or executing any function, service or activity.

Risk Management Objectives

The Shire will manage risks in line with the following risk management objectives:

1. The achievement of organisational goals and objectives
2. The ongoing health and safety of all employees at the workplace
3. Ensuring public safety within the Council's jurisdiction is not compromised
4. Limited loss or damage to property and other assets
5. Limited interruption to business continuity
6. Positive public perception of Council and the Shire
7. Application of equal opportunity principles in the workforce and the community

Responsibilities

1. Executives, managers and supervisors have the responsibility and accountability for ensuring that all staff manage risks within their own work areas. Risks should be anticipated with reasonable protective measures taken.
2. All managers will encourage openness and honesty in the reporting and escalation of risks.
3. All staff will be encouraged to alert management to the risks that exist within their area, without fear of recrimination.
4. All staff will, after appropriate training, adopt the principles of risk management and comply with all policies, procedures and practices relating to risk management.
5. All staff and employees will, as required, conduct risk assessments during the performance of their daily duties.
6. The level of sophistication of the risk assessment will be commensurate with the scope of the task and the associated level of risk identified.
7. It is required for all staff to observe reasonable directions from supervisors regarding the management of risks and/or failure of staff to take reasonable care in identifying and treating risks in the workplace may result in disciplinary action.
8. It is the responsibility of every department to observe and implement this policy in accordance with procedures and initiatives that are developed by management.
9. Council is committed morally and financially to the concept and resourcing of risk management.

Applications

Risk Management falls on all levels of the organisation including Council, the Executive Management Team (EMT), staff and persons who perform functions or deliver services on behalf of the Shire.

The **Chief Executive Officer** and **delegated officers** are accountable for the implementation and maintenance of risk management policies and processes across the organisation. They are ultimately responsible for ensuring that strategic and operational risks are recorded regularly and reviewed.

It is a responsibility of the **Audit (Finance & Risk) Committee** to receive the CEO reviews conducted on the appropriateness of systems and procedures in relation to risk management, internal control and legislative compliance.

The Audit (Finance & Risk) Committee, working with the Executive Management is also responsible for reviewing the:

- Risk & Opportunity Management Policy and Framework.
- Risk exposure of the Council and recommending to Council the level of risk tolerance of the Corporate Risk Register

Council is responsible for ensuring that Council strategy and operations are managed within an effective risk management policy. Council will also be responsible for the monitoring and endorsement of recommendations from the Audit Finance and Risk Committee.

RISK

Risk: Failure to comply with legislative requirements leading to damage of reputation and/or financial loss.

Control: Review policies and procedures in accordance with review schedule.