

Council Policy

TITLE: Risk Management Policy



Policy Number	DCS026
Category	Corporate Services
Strategic Plan Reference	Outcome 4
Approval date	23/05/14
Minutes Reference	Special Council Meeting – 23/05/14
Last Reviewed	N/A
Next Review Date	01/07/15

1. Purpose

The purpose of the Risk Management policy is to set out an overall picture of how MacDonnell Regional Council responds to and manages risk within the organisation.

2. Scope

This policy applies to all operations in the whole region within which MRC operates. It is supported by the Risk Management Plan.

3. Policy Objectives

The application of this policy and related framework will provide the basis for:

- more confident and rigorous decision-making and planning;
- better identification of opportunities and threats;
- pro-active rather than re-active management;
- more effective allocation and use of resources;
- improved incident management and reduction in loss and the cost of risk, including commercial insurance premiums;
- improved stakeholder confidence and trust;
- a clear understanding by all staff of their roles, responsibilities and authorities for managing risk;
- improved compliance with relevant legislation;
- the development of a more risk aware organisational culture through enhanced communication and reporting of risk.

4. Policy Statement

The Australian New Zealand Risk Management Standard (AS/NZS ISO 31000:2009) defines risk management as the "coordinated activities to direct and control an organisation with regard to risk".

Risk Overview

- Risk management will be incorporated into the strategic and operational planning processes at all levels within the Council.
- Risk and the management of risk will be identified and monitored in accordance with the *Risk Management Plan*.
- Risk assessments will be conducted on all new activities, ventures and projects prior to commencement to ensure alignment with risk appetite and organisational objectives.
- Risks will be identified, reviewed and monitored on an ongoing basis at nominated levels within the Council.

- Risks will be assessed against the Council's risk assessment matrix according to agreed definitions of likelihood and consequence.
- All identified risks will be recorded on the Council's risk management system..
- All risks will be assigned an owner who is responsible for managing, monitoring and ensuring that adequate controls and treatments are being applied so that risks are brought within tolerable levels.

Roles and Responsibilities

Responsibility for risk management is shared across the organisation.

Key responsibilities include:

- The Council is responsible for ensuring an effective risk management framework is in place. Detailed work on this is delegated to the Audit and Risk Committee.
- The Executive Leadership Team (ELT) is responsible for reviewing policies and procedures and fostering a risk-awareness and mitigation culture
- All ELT members are responsible for making recommendations for any changes in the risk management framework, ensuring that risk management activities are integrated and systematically managed and receiving and reviewing risk management reports.
- Business Units are responsible for the effective identification and management, reporting and control of risk within their areas of responsibility and for developing a risk awareness and mitigation culture

Reporting

Risk Management will be a standing item at ELT meetings on a quarterly basis.

The Director, Corporate Services, will present a report outlining risk management performance against indicators; any significant incidents; and any new or emerging risks or issues.

5. Legislation and References

Related Legislation	The <i>NT Local Government Act 2013</i> and <i>Administration Regulations</i> outline <ul style="list-style-type: none"> ▪ AS/NZS ISO 31000/2009 ▪ WHS Act Emergency Management Act
Related Policies	
Related Procedures	MRC Risk Management Plan
Associated Documents	MRC Risk Register

6. Delegation and Implementation

Delegate	CEO
Implementation Officer	Director Corporate Services

7. Administration

InfoXpert file number	116456
On Internet (Council Policy)	27/05/14
On Intranet (Operational Policy)	