

1. Purpose

- 1.1. The purpose of the Risk Management Policy (the Policy) is to enable an integrated and systematic approach to risk management through:
 - District Council of Cleve’s commitment to core risk management principles
 - Defining responsibilities for the application of risk identification, assessment, evaluation and treatment programs across Council operations
 - A Risk Management Framework that provides the tools and programmes to underpin Council’s approach to achieving a balance between the costs of managing a risk and the anticipated benefits.
- 1.2. The management of risk will be integrated into Council’s governance structures, including decision-making. Risk Management leads to the successful achievement of Council’s Vision, Strategic Plan Goals and community expectations.
- 1.3. To achieve the objectives of the policy the Risk Management Framework (“the Framework”) has been developed.

2. Policy Statement

- 2.1. The District Council of Cleve is committed to maintaining and applying governance and risk management principles to ensure that any impacts to strategic and business objectives are considered and analysed.
- 2.2. Council will adopt and implement a systematic approach to identify, assess, evaluate and treat (mitigate) risks. The risk management program involves identifying opportunities to ensure Council achieves its strategic goals whilst recording and managing its operational risks.
- 2.3. Management will lead, actively participate and have complete oversight over all aspects of risk management within their areas of responsibility.
- 2.4. Council will maintain a Risk Management Framework consistent with the guidelines and principles of risk management as set out in AS/NZS ISO 31000:2018– Risk Management Guidelines, with the goal of providing a consistent approach for dealing with uncertainties likely to impact on the achievement of Council’s Vision.
- 2.5. All risk registers will be periodically and consistently reviewed in accordance with set timeframes identified in the Framework.

3. Performance Measures

The performance of the risk management program will be measured through the following performance indicators:

- a) Number of strategic objectives achieved, (as a percentage of total)
- b) Percentage of strategic risks within risk appetite
- c) Number of Elected Members and employees trained in risk management, (as a percentage of total)

- d) Percentage achievement of risk evaluation action plan actions.

4. Legislative Requirements and Policy Content

- 4.1. *Section 48 of the Local Government Act 1999* (the Act) requires Councils to identify risks associated with a project and take steps to manage, reduce or eliminate those risks, (including by provision of periodic reports to the CEO and to the Council.)
- 4.2. Section 125 of the *Local Government Act 1999* (the Act) requires Council to ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the Council to carry out its activities in an efficient and orderly manner to achieve its objectives.
- 4.3. Section 132(A) of the *Local Government Act 1999* (the Act) requires Council to ensure that appropriate policies, practices and procedures are implemented and maintained in order to ensure compliance with statutory requirements and achieve and maintain standards of good public administration.
- 4.4. Section 134(4)(b) of the *Local Government Act 1999* (the Act) requires Council to adopt risk management policies, controls and systems.
- 4.5. As a member of the Local Government Association Mutual Liability Scheme, The District Council of Cleve is bound by the Scheme Rules, which include an obligation to ensure that adequate risk management and prevention strategies are put in place so as to absolutely minimise the risk of any incident, circumstance or matter that may give rise to a claim.

5. Definitions

Definitions are outlined within the Framework.

6. Responsibilities

6.1. Council

Council is responsible for the approval of this Policy and the Framework and overseeing the systematic approach to managing risk across Council's strategic planning and decision making.

- a) Setting the organisation's risk appetite and policy for managing risk;
- b) Giving adequate consideration to risks when setting objectives and making decisions;
- c) Fostering a culture that is consistent with the organisation's appetite for risk;
- d) Ensuring the organisation has the structures and processes in place to support decision making and management of risk;
- e) Setting an appropriate governance structure for risk and risk management including Audit & Risk Committee and delegations;
- f) Requiring the CEO to demonstrate that the framework for managing risk is effective and appropriate; and
- g) Requiring the CEO to provide information to allow the Council to understand the risks that may have material impacts on achievement of the organisation's objectives; and
- h) Considering recommendations from the Audit & Risk Committee relating to strategic risks or any other risk matter.

6.2. Audit & Risk Committee

The Audit & Risk Committee's role is to review, consider and make recommendations to the Council in relation to the Framework and any risk management matters to assist in the achievement of Council's objectives in an efficient and effective manner including:

- a) Reviewing and endorsing the criteria contained within the Risk Management Framework;
- b) Reviewing reports from the Senior Management Team and auditors to ascertain the adequacy of controls that have been implemented; and
- c) Monitoring strategic risks on a quarterly basis.

6.3. Chief Executive Officer (CEO)

The CEO has the responsibility for ensuring that:

- a) Promoting a strong risk management culture by providing firm and visible commitment to risk management including ensuring appropriate accountability for the management of risk;
- b) Reviewing and endorsing the Risk Management Framework;
- c) Developing and implementing a framework that delivers a consistent approach to risk management by allocating resources and assigning authority, responsibility & accountability at appropriate levels within the organisation;
- d) Allocating and upholding accountability for managing risk;
- e) Ensuring the Senior Management Team have the necessary knowledge and skills to effectively fulfil their risk management responsibilities;
- f) Regularly reviewing strategic and operational risks and maintaining an understanding of the environment in which the organisation operates, the risks it faces and the effectiveness of its controls;
- g) Ensuring compliance with legislative and contractual obligations and policy requirements;
- h) Providing reliable information about risks, controls and their effectiveness to the Council; and
- i) Escalating all strategic risks that exceed the organisation's risk appetite to the Audit & Risk Committee or Council, as required

6.4. Senior Management Team (SMT)

The Senior Management Team are responsible for:

- a) Commitment to, and promotion of, this Policy and the Framework;
- b) Monitoring the organisation's overall risk profile and mitigation strategies;
- c) Ensuring that risk management is embedded into all functions and activities, including decision making;
- d) Ensuring that risks that cannot be treated immediately are recorded on the risk register and that there is ongoing and regular review of the risk register, (including follow up and close out of overdue risk treatments);
- e) Incorporating risk treatments into business unit plans;

- f) Ensuring that staff, contractors, volunteers and other relevant stakeholders have the appropriate skills to be actively be involved in managing risk;
- g) Providing incentives and performance management arrangements that support the desired approach to managing risk;
- h) Promoting a proactive risk culture in accordance with business management initiatives;
- i) Collectively reviewing strategic risks and considering emerging risks, (prior to Audit & Risk Committee)
- j) Ensuring compliance with legislative and contractual obligations and policy requirements

6.5. Risk Management

Work Health and Safety and Risk Management Officer is responsible for:

- a) Providing guidance and assistance to the Senior Management Team and employees in relation to the application of this framework;
- b) Ensuring relevant risk information is recorded in the Risk Register and reported and escalated to the Senior Management Team or cascaded to employees, as relevant;
- c) Maintaining this Risk Management Policy and the Framework to ensure their currency and relevance; and
- d) Maintaining the Risk Register and reporting timeframes as required.

6.6. Employees, Volunteers and Contractors (Workers)

Workers are responsible for:



- a) Understanding the risk management processes that apply to their area of work; and
- b) Identifying, evaluating, reporting and managing, (or escalating,) risks relating to daily activities and projects.

7. Endorsement of this Policy

This policy was endorsed by the Audit & Risk Committee on 5 December 2023.

This policy was endorsed by the Work Health Safety Committee on 5 December 2023.

SIGNED

Signature:		
Name:	David Penfold	Grant Crosby
Position:	Chief Executive Officer	Chairperson, Health and Safety Committee (HSC)
Date:	5 December 2023	5 December 2023

This policy was endorsed by Council on xx March 2024.

8. Document Review

This document will be reviewed by the District Council of Cleve every (2) two years.

9. Further Information

This policy will be available for inspection at the Council offices listed below during ordinary business hours and available to be downloaded, free of charge, from the council's website: www.cleve.sa.gov.au.

Printed copies are considered uncontrolled. Before using a printed copy, verify that it is the current version.

Responsible Department/Officer	Chief Executive Officer / Work Health Safety and Risk Management Officer
Applicable Legislation	Local Government Act 1999 Work Health and Safety Act 2012 Civil Liabilities Act 1936
Related Policies	Councils one System Policies
Related Procedures	Councils One System procedures AS/NZS ISO 31000:2018 - Risk Management Guidelines District Council of Cleve Risk Management Framework