



Risk Management

Responsible Division	Office of the CEO
Responsible Business Unit	Governance and Organisational Planning and Development
Responsible Officer	Manager – Governance and OPD
Affected Business Units	All
ECM Document Set ID	4399748

Purpose

To outline the City's commitment and approach for managing risks that may impact on the achievement of its objectives.

Definitions

Risk – AS/NZS ISO 31000:2018 defines risk as “effect 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 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”.

Policy Statement

The City 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 of risk.

This policy encompasses:

- The implementation of the Risk Management Framework across the organisation in accordance with the Standard AS/NZS ISO 31000:2018 Risk Management – Guidelines; and
- To ensure the Framework is integrated into strategic and operational planning and project management.

The following applies to the City’s approach to risk management:

- The Council, Chief Executive Officer and Directors are to provide leadership, oversight and active participation in risk management activities within their areas of responsibility, as defined within the Risk Management Framework.
- All employees are encouraged to develop an understanding and awareness of risk, as required by their role, through relevant training programs where applicable.
- The Risk Management Framework, including criteria for risk assessments, is to be used in all activities that contribute to achieving the City’s objectives.
- Risks, controls and responsibilities are recorded in the City’s risk register, or individual project register, and are updated as required by risk owners.
- Reporting of risk is to comply with the requirements within the Risk Management Framework, or as otherwise requested by Council or the Chief Executive Officer.

Risk Tolerance: The City accepts the taking of controlled risk, aiming to maintain risks at targeted levels within each key area of business, whilst considering the cost and value of controls implemented against their overall benefit. Innovative approaches and the development of new opportunities to improve service delivery are encouraged, provided that the risks are properly identified, analysed and evaluated ensuring exposures are acceptable, managed and reported as defined within the Risk Management Framework.

Related Legislation

Local Government Act 1995 – Section 5.41

Local Government (Audit) Regulations 1996 – Regulation 17

Related Documentation

Risk Management Framework

Document details

Relevant delegations	Nil.		
Risk evaluation	Moderate		
Strategic link	Leadership and Governance		
Council adoption	May 2019	Resolution	10.5.2.1
Next review due	2025		
Reviewed/modified	28 March 2023	Resolution	10.6.3.4