



## Policy G7 – Risk Management

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### 1. Policy Intention

The Shire of Murray is committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes.

The key objective of this policy is to ensure that sound Risk Management practices and procedures are fully integrated into the Council's strategic and operational planning processes.

This Policy will be supported by a Risk Management Strategy

### 2. Policy

The Shire of Murray recognises that risk is the possibility of unplanned or unanticipated events having an adverse effect on the achievement of the organisation's objectives, and also recognises its moral and legal responsibility to provide a safe and healthy work environment for employees, contractors, customers and visitors.

The Shire of Murray considers risk management to be an essential management function in its operation as a progressive Local Government, and recognises risk management responsibility lies with the person who has the responsibility for the function, service or activity that gives rise to the risk.

The risk management framework proposed, aligns with the principles as outlined in the current International Standard (AS/ NZS/ISO 31000:2009).

The Shire will manage risks continuously using a process involving the identification, analysis, evaluation, treatment, monitoring and review of risks.

It will be applied to decision making through all levels of Council and the Shire in relation to planning or executing any function, service or activity. In particular it will be applied to:

- Expenditure of large amounts of money;
- New strategies and procedures;
- Managing a project;
- Introducing significant change; and,
- The management of sensitive issues.

#### 2.1 Risk Management Objectives

- The achievement of organisational goals and objectives.
- To ensure community and employee health and safety within the Shire's jurisdiction is
  - not compromised.
  - Limited loss or damage to property and other assets.
  - Limited interruption to business continuity.
- To define the Shire's tolerance to risk and communicate it throughout the Shire.
- To communicate with the community about the Shire's approach to risk.

- To protect the reputation of Council.

## **2.2 Responsibilities**

### **2.2.1 Elected members are responsible for:**

- Ensuring a Risk Management Policy has been developed, adopted and communicated throughout the Shire.
- Reviewing the Risk Management Policy annually.
- Providing a vision on which sound risk management practices and procedures can be based.
- Providing adequate budgetary provision for the maintenance of risk management plans and procedures.

### **2.2.2 Chief Executive Officer and Executive are responsible for:**

- Establishing the risk tolerance level of the Shire for adoption by Council.
- Ensuring the development and management of the risk management plan for the Shire.
- Establishing a Risk Management Committee

### **2.2.3 Risk Management Committee is responsible for:**

- Communicating the risk management plan for the Shire.
- Development of risk management skills through training and education.
- Establishing and maintaining the Risk Register.

### **2.2.4 Management are responsible for:**

- Identifying and assessing all the potential risks in their area of responsibility.
- Encouraging openness and honesty in the reporting and escalation of risks.
- Ensuring all staff manage risks within their own work area.

### **2.2.5 Employees are responsible for:**

- Actively participating in the risk management program and organisational performance review and evaluation program.
- Complying with all policies, procedures and practices relating to risk management.
- Attending risk management training.
- Conducting risk assessments during the performance of their daily duties, as required.
- Alerting management to the risks that exist within their area.

### 2.3 Monitor and review

The Shire of Murray will implement a robust reporting and recording system that will be regularly monitored to ensure closeout of risks and identification of ongoing issues and trends.

Risk management key performance indicators, relating to both organisational and personal performance will be developed, implemented and monitored.

The reference to the current International risk standard in this policy will be automatically updated to reflect any changes in name or number.

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Previous Policy Reference	CG18	
Related Legislation		
Related Policies	N/A	
Related Documents	Risk Management Strategy	
Last Reviewed	January 2018	
Next Review Date	2021	
Initial Adoption Date	30 April 2009	
Initial Adoption Resolution	OCM09/065	
Amendment Record	OCM10/128	24 June 2010
	OCM18/08	22 February 2018

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