



## Risk Management

<b>Policy type</b>	Council
<b>Adopted by</b>	Moira Shire Council
<b>Responsible director</b>	Director Corporate Governance
<b>Responsible officer</b>	Manager Governance
<b>Date adopted</b>	20 February 2012
<b>Scheduled for review</b>	20 February 2015

### PURPOSE

To document Council's commitment to understand, manage and mitigate the potential risks that Council is exposed to.

### SCOPE

This policy applies to all works, and services provided by Moira Shire Council, and all aspects of Council's involvement.

### DEFINITIONS

#### **Risk**

Risk is defined as the effect of uncertainty on objectives and is characterised by a reference to the likelihood and consequences of a potential event.

#### **Risk Management**

The co-ordinated activities, culture and processes that are directed towards realising the potential opportunities whilst managing the adverse effects of risks.

#### **Residual Risk**

Residual risk is defined as the risk remaining after risk treatment and can contain unidentified risk.

### POLICY

1. Council is committed to the practice of effective risk management to provide:
  - a more confident and rigorous basis for decision-making and planning;
  - better identification of opportunities and threats;
  - value from uncertainty and variability;
  - 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;
  - improved compliance with relevant legislation; and
  - better corporate governance.



## Risk Management

2. Risk management as a practice is integrated within the whole Council Plan, Strategic Resource Plan, Budget, staff position descriptions and staff performance appraisals, with training needs identified and delivered through the training plan.
3. Council will utilise a Risk Management Plan to provide guidance for managing risks within the organisation. The Risk Management Plan will define roles, responsibilities and accountabilities, and provide guidance to assess and manage risks.
4. Council will allocate a proportional amount of the available resources to risk management as determined through the annual budget process. While committed to the effective implementation of risk management throughout the organisation, Council is required to perform a wide range of functions and is unable to remove all risks associated with the wide range of functions arising from all of its areas of responsibility.
5. Council will determine the level of acceptable residual risk through the regular review of the Risk Register and an annual review of the Risk Management Plan.
6. Commitment is required from within all staffing levels of the organisation to undertake risk control activities, together with use of the necessary financial and physical resources, as allocated through Council's budget process.
7. Council will apply the risk management concepts, standards and definitions as applicable in accordance with AS/NZS ISO 31000 Risk Management - Principles and Guidelines.
8. Council will seek input from all relevant stakeholders as detailed in Council's Risk Management Plan to ensure that all risk management processes are as comprehensive as possible.

### RELATED POLICIES

*Development of Policy Documents, and Policy Guideline*

### RELATED LEGISLATION

*Local Government Act 1989  
Occupational Health and Safety Act 2004*

### REFERENCES

*Moira Shire Council Plan  
Moira Shire Council Risk Management Plan  
Australian/New Zealand Standard - Risk Management Principles and Guidelines AS/NZS ISO 31000:2009*

### REVIEW

This policy will be reviewed three years from the date of adoption, with operational amendments as required, in accordance with Council's approval.