RISK MANAGEMENT POLICY

1. PURPOSE

The purpose of this policy is to express Narromine Shire Council's commitment to implementing organisation-wide risk management principles, systems and processes that ensure the consistent, efficient and effective assessment of risk in all Council's planning, decision-making and operational processes.

2. RISK MANAGEMENT FRAMEWORK

Council provides critical services and infrastructure to the residents, ratepayers and visitors to the Narromine Shire Local Government Area. Council also has service agreements and contractual obligations with government and non-government agencies and organisations and has its own strategic goals and objectives that it seeks to achieve on behalf of the Narromine Shire community.

It is therefore incumbent on Council to understand the internal and external risks that may impact the delivery of these services, contracts and strategic objectives and have processes in place to identify, mitigate, manage and monitor these risks to ensure the best outcome for Council, staff and the community. It is also our responsibility to ensure the efficient, effective, and ethical use of resources and services by ratepayers, residents, staff, and visitors.

Council has developed a risk management framework consistent with the *AS/NZS ISO 31000:2018 Risk Management Principles and Guidelines* to assist to identify, treat, monitor and review all risks to its operations and strategic objectives and apply appropriate internal controls.

Council is committed to the principles, framework and process of managing risk as outlined in *AS/NZS ISO 31000:2018 Risk Management Principles and Guidelines* and commits to fully integrating risk management within the Council and applying it to all decision-making, functions, services and activities of the Council in accordance with our statutory requirements.

3. SCOPE

This policy applies to all Officials of Council.

4. RESPONSIBILITIES

Council aims to create a positive risk management culture where risk management is integrated into all everyday activities and managing risks is an integral part of governance, good management practice and decision-making at Council. It is the responsibility of every staff member and business area to observe and implement this Policy and Council's Enterprise Risk Management Framework.

All staff are responsible for identifying and managing risk within their work areas. Key responsibilities include: -

- Being familiar with, and understanding, the principles of risk management
- Complying with all policies, procedures and practices relating to risk management
- Alerting management to risks that exist within their area, and
- Performing any risk management activities assigned to them as part of their daily role.

Risk Management is a core responsibility for all senior staff/management at Council. In addition to their responsibilities as staff members, senior staff/management are responsible for:

- ensuring all staff manage their risks within their own work areas. Risks should be anticipated, and reasonable protective measures taken
- encouraging openness and honesty in the reporting and escalation of risks
- ensuring all staff have the appropriate capability to perform their risk management roles
- reporting to the General Manager on the status of risks and controls, and
- identifying and communicating improvements in Council's risk management practices to Council's WHS and Risk Coordinator.

Council's WHS and Risk Coordinator is available to support staff in undertaking their risk management activities.

To ensure Council is effectively managing its risk and complying with its statutory obligations, Council's Audit, Risk and Improvement Committee and internal audit function is responsible for reviewing Council's:-

- risk management processes and procedures
- risk management strategies for major projects or undertakings
- control environment and insurance arrangements
- business continuity planning arrangements, and
- Fraud Control Policy

5. MONITORING AND REVIEW

Council is committed to continually improving its ability to manage risk. Council will review this policy and its risk management framework biennially to ensure it continues to meet the requirements of the Local Government Act 1993, the Local Government (General) Regulation 2021, and Council's requirements.

6. RELATED DOCUMENTS

Risk Management Plan
Strategic and Operational Risk Registers
Business Continuity Plan and Sub Plans
Code of Conduct and Procedures
Fraud Control Policy