

ENTERPRISE RISK MANAGEMENT POLICY

POLICY ADMINISTRATION

Dates	Policy approved 30/06/2020 This policy is effective upon its approval. Policy is due for review June 2023
Approved by	Executive on 30/06/2020 (Version 3)
Exhibition Period	N/A
Policy Owner	Manager Governance and Risk Management, Business and Corporate Services
Related Documents	Georges River Council Risk Management Plan
References & Legislation	(AS/NZS) ISO31000:2009 Risk Management Guidelines
Document Identifier	Policy #: Pol-011.03 Doc #: D17/112962
Breaches of Policy	Breaches of any policy will be dealt with and responded to in accordance with adopted codes and/or relevant legislation.
Record Keeping	All documents and information obtained in relation to the implementation of this policy will be kept in accordance with the NSW State Records Act 1998, Georges River Council's Corporate Records Policy and adopted internal procedures.

PURPOSE

The purpose of this Policy is to clearly communicate Council's commitment to maintaining an effective and efficient risk management framework to help promote a positive risk culture and proactively manage enterprise wide risks to support the achievement of Council's strategic and operational objectives.

This Policy details Council's overall intentions for managing risk and highlights the core components of the enterprise risk management framework in place and responsibilities of Council Officials.

By properly understanding and managing risk within the boundaries of our risk appetite, we can provide greater certainty and security to our Community and other stakeholders. Effective enterprise-wide risk management will enable us to deliver on our commitments and ensure we make confident decisions on how we can develop, implement and manage our services and assets and facilitate continuous improvement.

SCOPE

This Policy applies to all Georges River Council Officials, as defined in the Code of Conduct and definitions table below.

DEFINITION OF TERMS

Term	Meaning
<i>Risk</i>	Effect of uncertainty on objectives. (Note: effect is a deviation from the expected and may be positive and/or negative).
<i>Risk Management</i>	The coordinated activities to direct and control an organisation with regard to risk.
<i>Risk Management Framework</i>	The set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.
<i>Risk Management Process</i>	Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.
<i>Control</i>	An existing Council process, policy, procedure or activity that minimises negative risk impacts and enhances positive risk opportunities.
<i>Council Official</i>	As defined in Part 2 of Council's Code of Conduct, a Council Official includes councillors, members of staff of a council, contractors, administrators, community members of wholly advisory committees, members of the Audit Risk and Improvement Committee (ARIC), members of reference panels, council committee members and delegates of council.

<i>Risk Treatment</i>	A proposed action that will further modify negative risk impacts or enhance positive risk opportunities.
-----------------------	--

POLICY STATEMENT

Georges River Council will adopt a structured enterprise risk management framework which will ensure a flexible approach to the identification and management of all types of risk across Council.

It is expected that risks will be identified and managed prior to the risk impacting Council's objectives by completing risk registers and other forms of risk assessments.

Council's aim is to ensure risk management is embedded in our culture and day-to-day operations by incorporating controls into policies and procedures.

We will be proactive in considering the lessons learnt from incidents and issues and incorporating the learnings to mitigate future occurrences.

Our approach to risk management will include regular review, measurement, reporting and open communication.

1. Approach and Methodology

Georges River Council's risk management approach will follow the principles and practices specified in the Australian/New Zealand Standard (AS/NZS) ISO 31000: 2018 Risk management – Guidelines and tailored for Council's operating environment.

2. Enterprise Risk Management Framework

Georges River Council's enterprise risk management framework aims to support the achievement of organisational objectives and considers all types of strategic, financial, regulatory, reputation, project and other operational risks.

The framework provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management. It consists of:

- Enterprise Risk Management Policy to clearly communicate Council's intent and commitment and a reference;
- Risk Appetite Statement to help guide management and risk owners in respect to the parameters of acceptable risk taking and tolerances;
- Enterprise Risk Management Plan to provide a roadmap of the approach to foster a positive risk-aware culture and outline the mechanisms for implementing, resourcing, communicating and improving risk management as well as measuring and reporting risk management performance.
- Risk Assessments and Reports including risk registers which are applicable to all functions across Council.

3. Embedding Risk Management

All Council Officials will aim to embed risk management into day-to-day activities so that risk management thinking is deeply entrenched into the organisation's norms and prudent risk taking is aligned to risk appetite. Integration of risk management at Georges River Council will follow these principles:

- A transparent and consistent framework that is applied across the organisation;
- A flexible approach to how we identify, respond and control risk to accommodate Council's range of activities;
- Reinforce accountability at all levels;
- Continually promote a positive risk culture where risk management is seen as an enabler, embraced and valued by Council Officials and stakeholders;
- Consider enterprise-wide risks in our strategies, plans, reports, decisions, operations, events, activities and business processes.

RESPONSIBILITIES

Position	Responsibility
<i>Councillors</i>	Provide oversight of Council's enterprise risk management framework. Consider risks in all decision making to ensure alignment with Council's risk appetite statements.
<i>General Manager</i>	Provides risk management leadership and is ultimately responsible and accountable for risk management. Supports and drives the implementation of risk management throughout Council by approving policy and plan.
<i>Executive Team</i>	As a team, manage high level strategic risks facing Council and embed this policy and related risk framework processes into their areas of responsibility. Executive will fully consider risk management issues contained in ET papers.
<i>Audit Risk and Improvement Committee</i>	Consider the risk profile and insurance arrangements, review and assess the enterprise risk management framework and report on the level of compliance.
<i>Manager Governance & Risk Management</i>	Responsible for maintaining risk management capabilities appropriate to the needs of Council including designing, operating, embedding, maintaining and continually improving the risk management framework. Provide internal leadership, documentation, systems, tools, training, support and expert advice on risk management matters.
<i>Coordinator Corporate Governance</i>	Develop, lead, manage and maintain effective risk management and business continuity frameworks. Provide advice and support to Manager Governance & Risk Management, ARIC, Executive Team, Managers and staff.

<i>Chief Audit Executive</i>	Supports risk management and promotes its benefits. The Internal Auditor provides assurance on the effectiveness and efficiency of the enterprise risk management framework.
<i>Managers</i>	Are often the 'risk owners' and accountable for implementing and maintaining sound risk management practices in their day-to-day activities within their sphere of accountability and authority. Managers help identify, evaluate and manage risks, escalate incidents/issues to Executive and ensure staff are aware of and adhere to the policy and enterprise risk management framework.
<i>Staff / Council Officials</i>	Are required to follow Council's policies and procedures and always act in a manner which does not place at risk the safety of themselves or any other person in the workplace. Responsible and accountable for taking practical steps to minimise exposure to risks in so far as is reasonably practicable within their area of activity and responsibility. Staff should report all incidents, risks and issues to their Manager in a timely manner.

VERSION CONTROL AND CHANGE HISTORY

Version	Amendment Details	Policy Owner	Period Active
HCC	Former Hurstville Council Policy discontinued	Hurstville Governance	27/11/2013 - 2017
KCC	Former Kogarah Council Policy discontinued	Kogarah Governance	24/02/2014 – 2017
1.0	New Georges River Council Risk Management Policy Council Resolution CCL125-17	Manager Governance and Risk Management	03/07/2017 – 16/10/2018
2.0	Review and overhaul of previous policy, recognising new organisation and risk owners. Supersedes Version 1.	Manager Governance and Risk Management	16/10/2018 – 30/06/2020
3.0	Minor amendments as outlined in ET report dated 30 June 2020, including updating definition of 'Council Official' to align with definition in Code of Conduct & newly adopted PID Reporting Policy.	Manager Governance and Risk Management	30/6/2020 – ongoing