



RISK MANAGEMENT POLICY

Approved By: General Manager
Doc Controller: General Manager
File: 126

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1. PURPOSE

Through integration with the approved Risk Management Framework, the purpose of this policy is to:

1. Establish the principles upon which our organisational risks are managed in accordance with the international risk management standard, ISO 31000:2018 Risk management – Guidelines.
2. Guide the integration of risk management into our governance structure, culture and business processes.
3. Implement an approach to risk management that is fit for purpose at all levels throughout Council.
4. Integrate risk based decision-making throughout Council for the benefit of the organisation, our community and our stakeholders.
5. Develop a culture of risk awareness, accountability and shared attitudes that promotes a willingness and capability to manage risk at all levels across Council.

2. SCOPE

This policy applies to all departments and personnel throughout Council, including Councillors, Council staff, contractors and volunteers undertaking any function for or on behalf of Council.

3. LEGISLATION

International risk standard adopted in Australia: ISO 31000:2018 - *Risk management – Guidelines*

4. POLICY

4.1 OVERVIEW

Our Valley 2030 (the Plan) is Derwent Valley Council's (Council) key strategic document that guides the vision, direction and provision of Council services to the Derwent Valley community. To support the achievement of the Plan and Council's operational objectives and initiatives, the Risk Management Framework outlines the basis for managing the related risks and opportunities.

Through the Risk Management Framework, risk management practices can be applied consistently right across Council. This enables management and officers to confidently make decisions that are timely, informed and cognisant of the factors that may impact success at all levels.



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4.2 APPROACH TO RISK MANAGEMENT

This policy is a core component of Council's corporate governance structure, corporate policy framework and Risk Management Framework. Through this policy and associated documents, Council's approach to risk management will:

1. Support the Council, executive and management to confidently make informed decisions based on organisational policy, values and appetite;
2. Assist Council to achieve organisational objectives through the systematic and timely identification and management of risks and strategic opportunities;
3. Promote compliance with relevant obligations; and
4. Create and protect value by targeting effort and resources to the areas of highest priority.

4.3 ACCOUNTABILITIES & RESPONSIBILITIES

The roles, responsibilities and accountabilities for risk management at Council are specified in this policy, committee charters and individual position descriptions.

| PERSONNEL | ACCOUNTABILITIES AND RESPONSIBILITIES |
|-----------------|--|
| Councillors | <ul style="list-style-type: none"> • Participation in the Audit Panel. |
| General Manager | <ul style="list-style-type: none"> • Overall accountability for risk management. • Setting and role modelling the tone, culture and expectations for risk management and governance activities. • Ensuring resources for risk management activities are adequate for Council purposes. • Setting appropriate delegations for the risk management functions. • The key point of contact between management and Councillors on risk management matters. |
| Audit Panel | <ul style="list-style-type: none"> • Independent review and oversight of Council's governance, risk management and control activities. • Oversight of the internal audit function. |
| Internal Audit | <ul style="list-style-type: none"> • Risk assurance to the General Manager and Audit Panel through execution of the internal audit plan. |



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|--|--|
| Executive Managers and Managers | <ul style="list-style-type: none"> Accountable for ownership and management of strategic and operational risks in their respective areas of responsibility, in accordance with the Risk Management Framework. Role modelling the tone, culture and expectations for risk management and governance activities. Accountable for the risk management performance of staff in their respective areas of responsibility. |
| Governance and Information Coordinator | <ul style="list-style-type: none"> Leading the risk management function. Developing and implementing a risk management framework that is fit for purpose. Risk reporting to the Audit Panel. <p>Supporting the organisation to manage its risks through:</p> <ul style="list-style-type: none"> Provision of risk management advice and guidance to staff; Maintenance of the risk management framework; and Co-ordination of insurable risk treatments. |
| All staff and contractors | <ul style="list-style-type: none"> Applying sound risk management practices in accordance with Council policies, frameworks and this Risk Management Framework. Timely escalation of risk and control matters through management. |

5. RELATED DOCUMENTS

This policy is the foundation document in the risk management framework and should be read in conjunction with the:

- Risk Management Framework
- Risk Management Procedures
- Risk Management tools, systems and reports
- Audit Panel Charter