

RISK MANAGEMENT POLICY

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Policy/File Number	CO.197.1
Related Documents	Internal Financial Controls Policy Disposal of Land and Assets Policy Allowances & Reimbursement of Expenses Policy Work Place Health and Safety & Return to Work Policy
Applicable Legislation	<i>NIL</i>

OVERVIEW

Risk management is the term applied to a logical and systematic method of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risks associated with an activity, function or process in a way that will enable organisations to minimise losses and maximise opportunities. Risk management is as much about responding to opportunities as avoiding or mitigating losses.

Risk management can be applied at many levels in an organisation from the strategic level to the operational level. It may be applied to specific projects, to assist with specific decisions or to manage specific recognised risk areas.

The Authority conducts Business Risk Assessments to assist management in the identification, assessment, treatment and monitoring of risks.

The development of a Business Risk Assessment involves an analysis of the internal and external drivers that can create uncertainty for the Authority. These drivers have been divided into the following key focus areas:

- Financial
 - Asset/infrastructure
 - Compliance/regulatory
 - Legal
 - Contract management
 - Procurement/tendering
 - Project Management
- People
 - Human resources
 - Work health safety
- Reputation
 - Political
 - Business development

Risk Management Policy

- Environmental
 - Asset infrastructure
 - Contract management
- Service Delivery
 - Compliance/regulatory
 - Governance
 - Strategic risk
 - Project management

PURPOSE

The purpose of this policy is to:

- Define the methods by which the Authority manages risk
- Demonstrate accountability and responsibility of the Authority to Constituent Councils and their ratepayers
- Be fair and equitable to all parties involved
- Enable all processes to be monitored and recorded
- Ensure that the best possible outcome is achieved for the Authority and the Constituent Councils
- Ensure that there is consistency with the strategic and financial directions.

POLICY PRINCIPLES

The Authority will ensure that the Risk Management Policy adheres to the following principles:

- Accurate and timely information
- Providing a balanced and honest view
- Abiding by the principles of openness and transparency
- Working with the Constituent Councils and associates to achieve common aims and objectives
- Always being at hand to hear and where appropriate support the view and/or needs of the Constituent Councils and the communities.

POLICY

In keeping with this Policy and other risk management criteria, the Authority will:

- Adopt a Risk Management Program and Action Plan, in consultation with the Local Government Association Mutual Liability Scheme (LGAMLS) which will set out responsibilities, accountabilities and performance measures.
- Implement the program which will have the full support and commitment of the Authority Board, and progress will be monitored by the Executive Officer, who will provide written reports to the Board.
- Ensure that sound risk management techniques are adopted by all business units, included in all business plans and detail identified risks and risk management.
- Ensure all reports to the Board for decision will include a risk assessment of recommendations.
- Ensure the Audit & Risk Management Committee responsibly oversees the implementation of the Risk Management Program and Action Plans.
- Use the services, as required, of the LGAMLS Regional Risk Coordinator to assist in the auditing of the Authority's procedures to ensure that high standards are maintained.

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- Ensure the LGAMLS Regional Risk Coordinator is the Authority's direct link to the Local Government Association Mutual Liability Scheme and will provide advice and assistance as required to minimise civil liability exposures.
- Ensure risks are separated into strategic and operational risks. Strategic risks affect business objectives at an organisational level and are generally quite broad in their context. Operational risks affect the day-to-day management of a particular task or work area and can be specifically identified.
- Develop and maintain a Strategic Risk Register and ensure that Fleurieu Aquatic Centre Operational Managers develop and maintain an Operational Risk Register. Once risks have been added to the Risk Register, be monitored and reported against on a periodic (monthly, quarterly or annually depending on the type and level of risk) by the responsible officer assigned to each risk. Risks managed through the job safety analysis and risk management process need to have ongoing risk identification and risk management implementation checks conducted in accordance with the Authority's Work Health Safety (WHS) policies and procedures.
- Ensure reviews are monitored by the Executive Officer at least annually.

ROLES & RESPONSIBILITIES

Authority Board

The Board is responsible for the approval of this Policy and Framework and endorsing the systematic approach to managing risk across Authority operations.

Audit & Risk Management Committee

The Audit & Risk Management Committee is responsible for reviewing the Authority's risk management and audit requirements. Reporting on risk management will be provided via Audit & Risk Management Committee meetings.

Executive Officer

The Executive Officer has the responsibility for ensuring the risk management framework is established and implemented. The Executive Officer is responsible for:

- Commitment to promotion of this Policy and the Framework whilst monitoring the Authority's overall risk profile and controls
- Reporting the risk profile and mitigation strategies to the Audit Committee
- The implementation, management and evaluation of risk management, in accordance with the Policy and Framework
- Undertaking the risk management program as per the requirements of the Policy and Framework
- Development and maintenance of a Strategic Risk Register, including the recording of risk mitigation strategies.

Fleurieu Aquatic Centre Contract Operational Managers

The Fleurieu Aquatic Centre Contract Operational Managers have responsibilities and reporting requirements as set out in the Management Agreement for Fleurieu Aquatic Centre Facility Management and Operation Services; which include:

- Compliance with Statutory and Legal Obligations
- Work Health and Safety Obligations
- Operational requirements (including human resource management)
- Quality management requirements
- Reporting requirements
- Identifying, evaluating and managing risks in daily activities and projects
- Adhering to the risk management framework

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The Fleurieu Aquatic Centre Contract Operational Managers are responsible for development and maintenance of an Operational Risk Register, including the recording of risk mitigation strategies.

Employees, Volunteers and Contractors (Workers):

All Authority Workers are responsible for:

- Identifying, evaluation and managing risks in their daily activities and projects
- Adhering to the risk management framework

DELEGATIONS

The Authority acknowledges that the Executive Officer may sub-delegate matters related to this Policy to staff or other persons employed or engaged by the Authority.

DOCUMENTATION

To assist in demonstrating that Risk Management processes are cost effective, fair, transparent, accountable and meet constituent Council and community needs, following risks being identified, the Authority will ensure the risk is added to the appropriate Risk Register; and (where required) ensure appropriate job safety analysis and risk assessments are completed.

AVAILABILITY OF POLICY

This Policy will be available on the [Fleurieu Aquatic Centre Website](#).

Document History

VERSION	DOCUMENT	ACTION	DATE
1.0	Approved version	FRAC Authority endorsement	29 April 2016
2.0	Revised version	FRAC Authority endorsement at meeting 18 May 2018	