

1. RATIONALE

The purpose of this Policy is to formalise the Council's commitment to risk management and to establish responsibilities for the application of risk management within Council operations.

As risk is inherent in all aspects of the Council's activities, this Policy supports the maximisation of all viable opportunities whilst promoting a structured and consistent approach to minimising risk exposure.

Risk management is an integral contributor to good governance practices and fosters effective decision making to achieve the Council's Vision and strategic themes and objectives with a focus on:

- continuously improving our residents' quality of life and enhancing outcomes for the community
- improved productivity and efficiencies
- minimising business interruptions.

2. POLICY STATEMENT

'The City of Marion is committed to the achievement of its strategic objectives and 'improving our residents quality of life; continuously, smartly and efficiently'. It acknowledges that it must take and accept risk to gain benefit. In so doing, it also accepts that failures and setbacks may occur. The Council therefore has a risk appetite which is HIGH for pursuing opportunities to become more innovative in the delivery of our services and creating partnerships which benefit our community through increased active participation in our services and facilities.

The City of Marion expects that its people conduct themselves with integrity, respectfully strive for achievement and aim for continuous delivery of services. It has a MEDIUM risk appetite for activities that may impact on our role as a significant contributor within the community and a LOW risk appetite for legislative non-compliance or practices and behaviours that could reasonably be expected to harm the organisation, its people or the environment.'

Further context is provided within the Risk Management Framework which includes the Risk Criteria and Matrix.

3. OBJECTIVES

To achieve Council's risk management objectives, the City of Marion Risk Management Framework ('the Framework') has been established in accordance with the International Standard ISO 31000:2018 Risk Management Guidelines.

The aim of the Framework is to provide guidance for maximising opportunities whilst minimising risks that may impact on the achievement of Council's objectives.

This is addressed through:

- Embedding a risk culture and high level of risk awareness across the organisation to support the achievement of strategically aligned outcomes.
- Implementing consistent risk management processes to manage risk and opportunities throughout CoM's organisational systems and functions including planning, resource allocation priorities, internal audit and control processes, in line with risk management standards including AS/NZS ISO 31000:2009 Risk Management Principles
- Enabling the consistent and systematic application of our risk management approach within all Council operations.
- Guiding a risk management approach to strategic, operational and project decision making, to support proactive management strategies that mitigate against events occurring and ensure robust contingency plans to lessen the impact of events if they were to materialise.
- Implementing a Business Continuity Management (BCM) Policy and Framework to minimise the impact of business disruptions on the Council's critical community services.
- Protecting public funds, assets and the integrity, security and reputation of the CoM by implementing a Fraud Policy and Framework which will prevent, identify, minimise and control fraudulent and/or corrupt activity.
- Providing adequate response to emergencies on behalf of the CoM residents and the community by implementing a Community Emergency Management Plan outlining our commitment to our community.

4. POLICY SCOPE AND IMPLEMENTATION

This Risk Management Policy applies to all operations and functions of the Council including strategic, operational and project based.

5. DEFINITIONS

Risk – The effect of uncertainty on objectives. It can be positive, negative or both and can address, create or result in opportunities and threats.

Risk Appetite – The amount and type of risk that an organisation is willing to pursue or retain

Risk Management – The coordinated activities to direct and control an organisation with regard to risk

Risk Management Framework – The structure and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation

Risk Management Policy – A statement of the overall intentions and direction of an organisation related to risk management

Risk Tolerance – A readiness to bear the risk after risk treatment(s) in order to achieve its objectives.

6. ROLES AND RESPONSIBILITIES

Council has the overall responsibility for risk, setting the organisation's risk appetite and risk tolerance levels, in addition to oversight of the organisation's systems for managing risk including approving and reviewing the City of Marion's Risk Management Policy and Framework.

To assist Council in discharging its responsibility in relation to risk management, the Council will seek the views of its Finance & Audit Committee. The responsibilities of the Committee are contained in the Committee's Terms of Reference.

Council has also delegated various powers and functions to the Chief Executive Officer to enable the setting of the policy and procedures to assist with the management of the City of Marion risk profile.

The Chief Executive Officer has overall accountability for an effective risk management program.

Note: The Framework provides further information on the risk management roles and responsibilities.

7. REFERENCES

City of Marion Risk Management Framework

City of Marion Business Continuity Management Policy and Framework

City of Marion Fraud Policy and Framework

City of Marion Finance & Audit Committee Terms of Reference

ISO 31000:2018 Risk Management - Guidelines

8. REVIEW AND EVALUATION

Reviewed every four years, in accordance with the Corporate Policy Framework and authorised by Council.