

# Risk Management Policy

## Purpose

The Town of Bassendean's ("the Town") Risk Management Policy documents the commitment and objectives regarding managing uncertainty that may impact the Town's strategies, goals or objectives.

## Policy Scope

This policy applies to all of the Town's activities and decision making and applies to all elected members, employees, contractors and volunteers. The policy provides a framework for the Town's strategic, operational and project risks.

## Policy Statement

It is the Town's Policy to achieve best practice (aligned with AS/NZS ISO 31000:2018 Risk management), in the management of all risks that may affect the Town, its customers, people, assets, functions, objectives, operations or members of the public.

Risk Management will form part of the Strategic, Operational, Project and Line Management responsibilities and where possible, be incorporated within the Town's Integrated Planning Framework.

The Town's Corporate Management Committee will determine and communicate the Risk Management Policy, Objectives and Procedures, as well as direct and monitor implementation, practice and performance.

Every employee, elected member, volunteer and contractor within the Town is recognised as having a role in risk management.

## Definitions (from AS/NZS ISO 31000:2018)

**Risk:** Effect of uncertainty on objectives.

Note 1: An effect is a deviation from the expected – positive or negative.

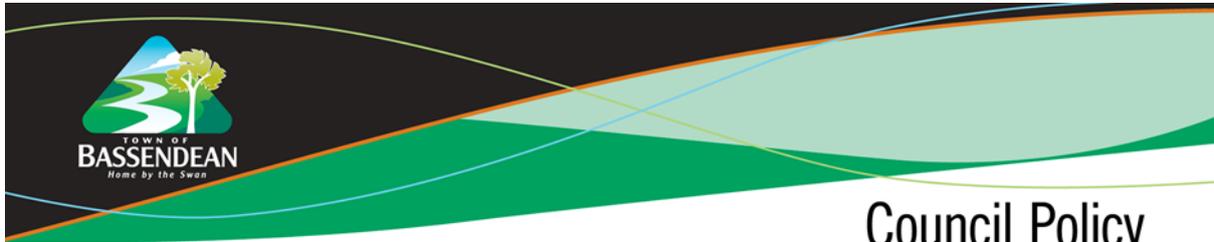
Note 2: Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, organisation-wide, project, product or process).

**Risk Management:** Coordinated activities to direct and control an organisation with regard to risk.

**Risk Management Process:** 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.

## Risk Management Objectives

- Optimise the achievement of our vision, strategies, goals and objectives.



## Council Policy

- Provide transparent and formal oversight of the risk and control environment to enable effective decision making.
- Enhance risk versus return within our risk appetite.
- Embed appropriate and effective controls to mitigate risk.
- Achieve effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
- Enhance organisational resilience.
- Identify and provide for the continuity of critical operations

### **Risk Appetite**

The Town defined its risk appetite through the development and endorsement of the Town's Risk Assessment and Acceptance Criteria. The criteria are included within the Risk Management Procedures and are subject to ongoing review in conjunction with this policy.

All strategic risks to be reported at a corporate level are to be assessed according to the Town's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisation's appetite and are to be noted within the individual risk assessment and approved by a member of the Corporate Management Committee.

### **Roles, Responsibilities & Accountabilities**

Council's role is to -

- Review and approve the Town's Risk Management Policy and Risk Assessment & Acceptance Criteria.
- Establish and maintain an Audit and Governance Committee in terms of the Local Government Act.

The CEO is responsible for the allocation of roles, responsibilities and accountabilities. These are documented in the Risk Management Procedures (Operational Document).

### **Monitor & Review**

The Town will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

This policy will be kept under review by the Town's Corporate Management Committee and will be formally reviewed by Council biennially.



# Council Policy

**Document Control box**

**Document Responsibilities:**

<b>Owner:</b>	Chief Executive Officer	<b>Owner Unit:</b>	<b>Business</b> Office of the Chief Executive Officer
<b>Inception Date:</b>	OCM-14/3/2022	<b>Decision Maker:</b>	Council
<b>Review Date:</b>	Biennial	<b>Repeal and Replace:</b>	N/A

**Compliance Requirements:**

**Legislation:** *Local Government Act 1995*