
Policy

Integrated Risk Management

To define Council's objectives for, and commitment to, the effective management of risk across the organisation

POLICY REGISTER	
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1 Background

1.1 Title of the Policy and Commencement Date

The Integrated Risk Management Policy takes effect from 19 December 2016.

1.2 Purpose of the Policy

This policy is intended to define Council's objectives for, and commitment to, the effective management of risk across the organisation.

2 Objective

2.1 Objectives and Coverage of the Policy

Council will adopt a structured, consistent and holistic approach to the management of risk at all levels and for all business activities through the integration of business, Work Health & Safety and environmental risk management into a common framework. It is committed to incorporating risk management into critical processes and to managing risk consistent with AS/NZS ISO 31000:2009 Risk management – Principles and guidelines; AS/NZS 4801:2001 Occupational Health & Safety Management Systems and AS/NZS ISO 14001:2015 Environmental Management Standards.

Council recognises the social, economic and environmental importance of operating in a sustainable manner and continually improving performance. The principles of risk management require staff to make informed decisions based on best available information concerning the level and cost of risk and opportunity in achieving Council's objectives and delivering cost-effective services and infrastructure.

3 Application

3.1 Application of this Policy

The policy applies to all employees, councillors, volunteers and contractors of Council. Employees are accountable for the identification and management of risks in their area of responsibility and for the escalation of these risks to their supervisor or manager.

The Executive Leadership Team will monitor and review Council's risk management activities and performance.

4 Definitions

For the purposes of this policy:

Term	Meaning
Risk	the effect of uncertainty on objectives (Note: an effect is a deviation from the expected and can be positive and/or negative)
Risk Management	the coordinated activities to direct and control an organisation with regard to risk

Risk appetite

amount and type of risk that an organisation is willing to pursue or retain

5 Principles/Body

5.1 Procedural Statement

- Council acknowledges that risk is inherent in its business activities and the pursuit of its objectives. Sound risk management is essential to ensure the achievement of its strategic objectives as outlined in the Community Strategic Plan.
- Council will integrate a structured approach to the management of risk throughout the organisation in order to promote and demonstrate good corporate governance, to minimise loss and to maximise opportunities to improve service delivery.
- Council will seek to comply with the principles of risk management as listed in AS/NZS ISO 31000:2009 Risk management – Principles and guidelines, that is, risk management:
 - creates and protects value
 - is an integral part of organisational processes
 - is part of decision making
 - explicitly addresses uncertainty
 - is systematic, structured and timely
 - is based on the best available information
 - is tailored
 - takes human and cultural factors into account
 - is transparent and inclusive
 - is dynamic, iterative and responsive to change
 - facilitates continual improvement of the organisation.
- Council has no appetite for risks which may compromise the safety and wellbeing of staff, the community, contractors and volunteers. Similarly, Council has no appetite for risks that cause significant and irreparable damage to the environment and seeks to preserve and enhance it for future generations.
- Council places great importance on compliance and has no appetite for any breaches in legal, regulatory and professional requirements.
- Council has little appetite for risks that may have a significant adverse impact on its long term financial sustainability. However, Council encourages entrepreneurship and has a moderate appetite for risks arising from economic and property development opportunities.
- While mindful that reputation risk is inherent in our business activities, we will take a cautious approach and not be constrained by reputation-related risk in pursuing innovation.
- Council has considerable appetite for improvements and innovation in service delivery, technology and the efficiency of our operations.
- To minimise the risk to staff, protect property and guard Council's reputation from events that may have a noticeable and detrimental impact on operations and service delivery, Council will identify and manage risks to business continuity.
- Council will create a risk aware culture by investing all employees with responsibility and accountability for the management of risk and encouraging participation and consultation. The culture will be supported by the effective communication of this policy, implementation of the Integrated Risk Management Communication Plan and inclusive training and awareness initiatives.

6 Relevant Legislation

- *Work Health & Safety Act, 2011 NSW*
- *Civil Liability Act, 2002 NSW*

7 Document Information

Related documents and reference information in this section provides a single reference point to develop and maintain site compliance information.

7.1 Related Documents

Related documents, listed in **Table 7-1** below, are internal documents directly related to or referenced from this document.

Number	Title
POL/1019	Internal Audit Policy
POL/6007	Fraud Prevention Policy
POL/1011	Code of Conduct
16/62899	WHS Statement of Commitment
16/77743	Integrated Risk Management Framework
16/30549	Business Continuity Plan

Table 7-1 – Related documents

8 Responsible Officer / Policy Owner

Ownership of this policy rests with the Manager Integrated Risk.

9 Responsibilities

Responsibilities and accountabilities for the development, implementation, communication and review of Council's risk management system and activities are detailed in the Integrated Risk Management Framework.

Parties or Persons	Responsibilities
Executive Leadership Team	<ul style="list-style-type: none">• The Executive Leadership Team is responsible to drive risk management across the organisation and to implement it in their respective areas of accountability in line with the principles listed in AS/NZS ISO 31000:2009 Risk management – Principles and guidelines.
Leadership Group	<ul style="list-style-type: none">• Managers are responsible to manage risk in their respective areas of accountability and responsibility and to support employees in identifying, managing and communicating risk.
Integrated Risk Management Team	<ul style="list-style-type: none">• The Integrated Risk Management Team is responsible to develop and maintain risk management protocols, procedures, tools and training and to provide technical risk management support to the organisation.

Employees	<ul style="list-style-type: none">• All employees are required to:<ul style="list-style-type: none">○ identify and manage risks in their areas of accountability○ communicate those risks to their manager or supervisor in accordance with the corrective action tables and risk escalation process○ act to ensure their own safety and the safety of others○ minimise environmental harm by preventing pollution and the degradation of ecosystems.
Business Continuity Management Team	<ul style="list-style-type: none">• Council's management of critical incidents and business continuity is the responsibility of the Continuity Management Team comprising the members of the Executive Leadership Team with support from the Continuity Management Team Support Group.

10 Approval

As per cover sheet.

11 Monitoring

Council is committed to the proactive management of risk. Monitoring of the integrated risk management system will align with the organisation's business improvement approach and have the flexibility to adapt to the changing needs of the organisation. Compliance with this policy and the growth in maturity of Council's risk management system will be monitored by Executive Leadership Team.

12 Review Date

This policy, once adopted, is to remain in force until it is reviewed by Council. This policy is to be reviewed approximately every two (2) years to ensure that it meets legislative requirements.

13 Last Review Date

The Integrated Risk Management policy replaces the Enterprise Risk Management policy that was adopted on 1 July 2013 and fell due for review on 1 July 2015.

14 Record Keeping, Confidentiality and Privacy

This policy is to be made available for public viewing as required under the *Government Information (Public Access) 2009, NSW*.

15 Breaches and Sanctions

Any breaches of this Policy will be referred to the General Manager for appropriate action.