CITY OF CANNING

POLICY

TITLE:	**RISK MANAGEMENT**		CODE:	**AF312**

PURPOSE or OBJECTIVE:	To ensure that sound risk management practices and procedures are understood, supported and fully integrated into the City's strategic and day to day operational business processes.
	To achieve best practice in risk management by implementing a culturally effective and efficient risk management program which has been developed in accordance with *Standards Australia AS/NZS ISO 31000: 2018 Risk Management.*
REFERENCE DOCUMENTS:	Local Government Act 1995
	Local Government (Audit) Regulations 1996
	Local Government Operational Guidelines – No.9 Audit in Local Government
	WA Local Government Accounting Manual – Section 7
	LGMA (2011) – Integrated Risk Management for Local Governments

POLICY STATEMENT

The City will develop and maintain a risk management program to ensure that sound risk management practices and procedures are fully integrated into its strategic and operational processes and day to day business practices.

The City will also develop and maintain a Business Continuity Management Program to reduce the impact of disruptions to services and to ensure that business objectives can continue to be met for the benefit and protection of the City's:

- **ratepayers, residents, customers, clients and other stakeholders;**
- **employees and community volunteers;**
- **natural environment;**
- **quality of service delivery;**
- **assets and intellectual property;**
- **contractual and statutory obligations;**
- **image and reputation**

1. Scope

This policy applies to all City employees.

2. Definitions

Word or phrase	Succinct definition of the word or phrase (refer examples below)
Risk management (ISO 31000:2018)	Coordinated activities to direct and control an organisation with regard to risk.
ISO 31000	Is the Australian/New Zealand standard developed by *Standards Australia* as *AS/NZS ISO 31000:2018 Risk Management Principles and Guidelines* which addresses the entire management system that supports the design, implementation, maintenance and improvement of risk management processes.

3. Background

Risk Management is the identification, assessment, and prioritisation of risks (defined in ISO 31000 as the effect of uncertainty on objectives, whether positive or negative) followed by coordinated and economical application of resources to minimise, monitor, and control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities. Risks can come from uncertainty in financial markets, threats from project failures (at any phase in design, development, production, or sustainment life-cycles), legal liabilities, credit risk, accidents, natural causes and disasters as well as deliberate attack from an adversary, or events of uncertain or unpredictable root-cause.

Methods, definitions and goals vary widely according to whether the risk management method is in the context of project management, security, engineering, industrial processes, financial portfolios, actuarial assessments, or public health and safety

4. Employee Obligations

Risk management will be a core responsibility for all staff and will be incorporated into the employee's key performance indicators.

Risk management is a continuous process demanding awareness and a proactive attitude from each of the Organisation's employees and outsources service providers. The involvement and support of all parties is critical for it to perform effectively.

5. Implementation

Implementation will commence with risk identification, followed by risk evaluation and the development of cost-effective and practical management measures.

GOVERNANCE REFERENCES

Statutory Compliance	Local Government (Audit) Regulations 1996 – r.17
Process Links	City of Canning Risk Management road map Risk Management Framework (D17/3352)

POLICY ADMINISTRATION

Program responsible		Officer Title	
Canning Community and Commercial		Executive Manager Governance	
Version	**Decision Reference**	**Meeting type and date**	**Delegation No. (or N/A)**
1	10/3/2014	2013 Policy redrafted and reformatted to new template	N/A
2	OCM 18/3/2014 (AC-005-14)	Adopted	N/A
3	13/7/2020	Policy reformatted to new template with minor modifications to content (administrative review)	42