

Council Policy Name: Risk Management

Responsible Directorate: Finance and Corporate Services

Version: Current

## 1. PURPOSE

- 1.1. The purpose of this Policy is to demonstrate the City of Busselton's commitment to the development of a culture of risk based decision making directed towards the effective management of potential opportunities and reduction of potential impacts of risk.

## 2. SCOPE

- 2.1. This Policy is applicable to the City of Busselton and its operations.

## 3. DEFINITIONS

Term	Meaning
Policy	This City of Busselton Council policy entitled "Risk Management"

## 4. STRATEGIC CONTEXT

- 4.1. This Policy links to Key Goal Area 6 – Leadership of the City's Strategic Community Plan 2017 and specifically Community Objective 6.1: Governance systems, process and practices are responsible, ethical and transparent.

## 5. POLICY STATEMENT

- 5.1. Risk management is defined in the ISO 31000 Standard as the coordinated activities to direct and control an organisation with regard to risk.
- 5.2. The City of Busselton is committed to the effective management of risk and will implement a risk management framework based on the ISO 31000 Standard to achieve this. The Council recognises that adequate resources are needed to effectively manage risks.
- 5.3. The Council is responsible for:
- Ensuring that a Risk Management Policy has been developed and adopted;
  - Ensuring the Chief Executive Officer has implemented the risk management framework; and
  - Establishment of an Audit Committee to assist the Council in fulfilling its corporate governance, stewardship, leadership and control responsibilities in relation to risk management.
- 5.4. The Chief Executive Officer is responsible for:
- Communicating the Risk Management Policy throughout the City;
  - Establishing risk management processes across the City's operations;
  - Reviewing the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance not less than once every 3 financial years and reporting the results of that review to the audit committee as per Regulation 17 of the *Local Government (Audit) Regulations 1996*.–

## 6. RELATED DOCUMENTATION / LEGISLATION

- 6.1. International Standard ISO 31000:2018 - Risk Management Guidelines
- 6.2. Risk Management Framework
- 6.3. *Local Government (Audit) Regulations 1996*

## 7. REVIEW DETAILS

<b>Review Frequency</b>		3 yearly		
<b>Council Adoption</b>	<b>DATE</b>	12 December 2018	<b>Resolution #</b>	C1812/259
<b>Previous Adoption</b>	<b>DATE</b>	12 October 2016	<b>Resolution #</b>	C1610/096