



ENTERPRISE RISK MANAGEMENT POLICY

Policy 21/2024-2028

DATE

- Ordinary Meeting of Council 26.03.2019, 12.04.2022 and 11.02.2025

POLICY NO:	21/2024-2028
LEGISLATIVE REQUIREMENTS	ISO 31000:2018 Risk Management - Guidelines Local Government Act 1993
RESPONSIBILITY:	General Manager
OBJECTIVE:	To outline the Council's commitment to risk management across all levels of the organisation
REVIEW	Within the first 12 months of each term of Council or as required.

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1. Purpose

The purpose of this policy is to express The Hills Shire Councils commitment to maintaining a risk management framework that ensures the consistent, efficient and effective assessment of risk in all Hills Shire Councils planning, decision-making and operational processes.

2. Risk management framework

The Hills Shire Council is committed to maintaining an effective, efficient and tailored risk management framework that protects the organisation from harm by addressing potential risks and creates opportunity to improve business performance by proactively managing risks.

The Framework consists of:

Enterprise Risk Management Policy
 Enterprise Risk Management Procedure
 Assurance and attestation from the Audit, Risk and Improvement Committee
 Internal and External Audit
 Strategic, Operational, Fraud & Corruption Risk Registers and reviews
 Insurance program for transferable risk
 Claims reporting, escalation and trend analysis
 Supporting policies and processes
 Training and awareness among our staff.

The Framework enables:

- A formal structured approach to risk management that is appropriate to Council's operating environment allowing risk-based decision making
- A risk management approach consistent with eth principles of ISO 31000:2018 Risk Management Guidelines.

3. Risk appetite

As a Local Government Authority and as custodian of assets and a provider of services using public money, Council has an obligation to its stakeholders to ensure that it does not accept high levels of risk that might impact on community wellbeing and amenity or the ongoing viability of Council. Accordingly, Council generally has a low appetite for unmitigated risks across all its operations.

4. Responsibilities and accountabilities

Council aims to create a positive risk management culture where risk management is integrated into all everyday activities and managing risks is an integral part of governance, good management practice and decision-making. It is the responsibility of every employee and business area to observe and implement this Policy and Council's Risk Management Framework.

The Council is the governing body that has a strategic leadership role under section 223 of the Local Government Act 1993 (LG Act), and the governing body is responsible for establishing the foundational elements of the Council's Risk Management Framework and setting the tone at the top.

General Manager

Under section 335 of the LG Act has ultimate responsibility and accountability for risk management in the Council. With the assistance of the Executive Leadership Team, is responsible for leading the development of an enterprise risk management culture across the organisation and ensuring that the Enterprise Risk Management Policy and Framework are being effectively implemented

Executive Team

As a team, manage high level strategic risks facing Council and embed this policy and related risk framework processes into their areas of responsibility. Executive will fully consider risk management issues contained in Executive Team papers. The Executive Team will annually review Council's corporate and strategic risks.

Audit Risk Improvement Committee

Council's Audit, Risk and Improvement Committee is responsible for providing independent assurance to Council by monitoring, reviewing and providing advice about governance processes, compliance, risk management and control frameworks, external accountability obligations and overall performance.

Internal Auditor

Supports risk management and promotes its benefits. The Internal Auditor provides assurance on the effectiveness and efficiency of the enterprise risk management framework.

Managers

Are often the 'risk owners' and accountable for implementing and maintaining sound risk management practices in their day-to-day activities within their sphere of accountability and authority. Managers help identify, evaluate and manage risks, escalate incidents/issues to Executive and ensure staff are aware of and adhere to the policy and enterprise risk management framework.

Staff, contractors, consultants, and volunteers

Are required to follow Council's policies and procedures and always act in a manner which does not place at risk the safety of themselves or any other person in the workplace. Responsible and accountable for taking practical steps to minimise exposure to risks in so far as is reasonably practicable within their area of activity and responsibility. Staff should report all incidents, risks and issues to their manager in a timely manner.

Risk Management Coordinator

Responsible for maintaining risk management capabilities appropriate to the needs of Council including designing, operating, embedding, maintaining, and continually improving the risk management framework. Provide internal leadership, documentation, systems, tools, training, support and expert advice on risk management matters.

The Hills Shire Council risk management function is available to support staff in undertaking their risk management activities.

To ensure The Hills Shire Council is effectively managing its risks and complying with its statutory obligations, councils audit, risk and improvement committee and internal audit function is responsible for reviewing:

- risk management practices and procedures
- risk management strategies for major projects or undertakings
- control environment and insurance arrangements
- business continuity planning arrangements, and
- fraud control plan

5. Monitor and Review

The Hills Shire Council is committed to continually improving its ability to manage risk.

The Hills Shire Council will review this policy and its risk management framework annually to ensure it continues to meet requirements of the Local Government Act 1993, Local Government (General) Regulation 2021, and the council's requirements.

6. Further information

For further information on council's risk management policy, framework and process, contact Fiona Coad on fcoad@thehills.nsw.gov.au or by phone 9843 0414.