

# Council Policy

## Risk Management



Legislation/local law requirements	<i>Local Government Act 1995</i>
Relevant Delegation	N/A
Related policy procedures and documents	Risk Management Strategy AS ISO 31000:2018 Risk Management – Guidelines Promapp – Risk Management

## **Introduction**

The City of Kwinana (City) is committed to a proactive risk management culture that enhances the well being of its community, the efficiency of the City's services, and the achievement of strategic objectives.

By embedding risk management into all aspects of the City's decision making processes, we seek to minimise potential negative impacts and increase opportunities that drive innovation and resilience.

## **Purpose**

The purpose of this policy and its supporting documentation is to create an environment where Council Members, employees, and contractors accept responsibility for the management of risk. This is achieved through the development, implementation, and continuous improvement of effective risk management practices.

Risk management is the responsibility of everyone and will be treated as an integral part of the City's culture, policies, procedures, and systems. By a shared commitment to risk management, the City aims to ensure that all stakeholders are actively engaged in identifying, assessing, and mitigating risks, thereby enhancing the resilience and effectiveness of the services delivered by the City.

## **Objective**

The objective of this policy is to develop a culture and awareness of the processes directed towards the effective management of potential opportunities and adverse effects across the City. By implementing a comprehensive risk management framework, we aim to:

- Foster a proactive risk management culture that empowers Council Members, employees, and contractors to take ownership of risk management responsibilities.
- Enhance decision-making processes by integrating risk management practices into the City's strategic planning and operational activities.
- Protect the City's assets, reputation, and resources by minimising potential negative impacts and capitalising on opportunities for improvement.
- Reduce the potential costs of risk through assessment, and mitigation measures.
- Ensure compliance with legislated requirements through structured and consistent risk management procedures.

By achieving these objectives, the City aims to enhance the resilience and effectiveness of its operations.

## Scope

This risk management policy applies to all areas of the City's operations, including but not limited to:

- ensuring that members of council are aware of and adhere to the risk management framework in their decision-making processes.
- engaging all employees in identifying, assessing, and mitigating risks within their respective roles and responsibilities.
- extending risk management practices to contractors and partners to ensure alignment with the City's risk management objectives via the City's RFQ and tender processes.
- integrating risk management into the planning, execution, and evaluation of all City projects.
- protecting physical and digital assets through proactive risk management strategies.
- embedding risk management principles into the City's policies, procedures, and systems to ensure a consistent and comprehensive approach.

By including these areas, the policy ensures a holistic approach to risk management that is embedded in the City's culture and operational practices, thereby enhancing resilience, efficiency, and effectiveness.

# Policy Provisions

## Definitions

**Risk** means the effect of uncertainty on objectives.

**Risk management** means the application of coordinated activities to direct and control an organisation with regard to risk.

**Risk management framework** means the set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

**Council Member** means a person who holds the office of Mayor or Councillor on the Council.

**Employee** means a person employed, engaged by the City under a contract for services or a volunteer.

**Contractor** means external entities and individuals engaged by the City to provide services or projects, who are required to align with the City's risk management practices.

**Council** means council members who are responsible for making decisions.

## Policy Statement

The City's Risk Management Policy, in conjunction with the Risk Management Strategy, establishes the City's risk management framework. Adoption of the risk management framework will:

- a. Minimise the occurrence of serious injury or loss of life;
- b. Protect assets and resources, including natural and cultural;
- c. Meet legislative and compliance requirements;
- d. Minimise legal liability;
- e. Minimise disruption to operations and services;
- f. Minimise financial loss, including through theft or fraud;
- g. Improve the City's governance, management capability and accountability;
- h. Ensure an effective response to critical incidents effecting services and operations;
- i. Effective emergency response and event recovery; and
- j. Minimise potential damage to reputation.

Achievement of these objectives will require proactive identification and mitigation of strategic and operational risks, moving beyond a reactive or incidence-response approach. Proactive risk management will enhance the planning process and business activities, increasing the likelihood of achieving the City's objectives within its available budget.

All City risks items are recorded and maintained within the City's risk management software system, ensuring a structured and streamlined approach to risk management. All strategic risk items are presented to the Audit and Risk Committee and Council for their review.

## OFFICER USE ONLY

Officers may amend this section without council approval.

Responsible Team	Governance and Legal	
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