RISK MANAGEMENT POLICY

Type	Policy
Category	Risk Management
Policy Number	012
First Issued/Adopted	February 2024
Minutes Reference	29 February 2024
Review Period	36 months
Last Reviewed	New Document
Next Review	February 2027
Applicable Legislation	• *Local Government Act 1999* • *South Australian Work Health and Safety Act 2012* • *Civil Liability Act 1936* • *State Records Act 1997*
Related Documents	• AS ISO 31000:2018 Risk Management – Guidelines • East Waste Risk Management Framework • East Waste Risk Register(s) • LGAMLS Scheme Rules as gazetted July 2020
Consultation Undertaken	• Audit & Risk Committee
Responsible Officer	Manager Business Services

SIGNED: ………………………………   ……………………………………

General Manager   Chairperson

Date: 29 / 02 / 2024   Date: 29 / 02 / 2024

Purpose

1.1   Eastern Waste Management Authority (East Waste) recognises that effective management of risk will support successful achievement of its vision and strategic objectives.

1.2   The purpose of the Risk Management Policy (the Policy) is to enable an integrated and systematic approach to risk management by:

- Articulating East Waste's commitment to core risk management principles;

- Supporting the maintenance of a Risk Management Framework ("the Framework") that comprises the tools and processes that underpin the organisation's risk management approach.

Policy Statement

2.1   The management of risk will be integrated into governance and leadership structures, including decision-making at all levels.

2.2   East Waste is committed to developing and maintaining structured and comprehensive risk management processes that are dynamic and based on best available information.

2.3   Engagement with East Waste employees and stakeholders is integral to the success of risk management processes and, as such, structures to facilitate consultation and communication will be developed and maintained.

2.4   East Waste will monitor and review its strategic, operational and project risks and apply learnings to continually improve efficiency and effectiveness.

Performance Measures

The performance of the risk management program will be measured through the following performance indicators:

a)   Reduction in strategic risks rated "extreme" and "high"

b)   Percentage of strategic risks within risk appetite

c)   Tangible improvement in risk maturity modelling

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Legislative requirement and policy context

4.1   *Section 48* of the *Local Government Act 1999* ('*LG Act*') requires Councils to identify risks associated with a project and take steps to manage, reduce or eliminate those risks, (including by provision of periodic reports to the CEO and to the Council/Board.)

4.2   *Section 125* of the *LG Act* requires East Waste to ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the organisation to carry out its activities in an efficient and orderly manner to achieve its objectives.

4.3   *Section 132A* of the *LG Act* requires East Waste to ensure that appropriate policies, practices and procedures are implemented and maintained in order to ensure compliance with statutory requirements and achieve and maintain standards of good public administration.

4.4   *Section 134(4) (b)* of the *LG Act* requires East Waste to adopt risk management policies, controls and systems by a resolution passed by at least a two thirds majority of the members of Elected/Board Members prior to entering into financial arrangements for the purpose of managing, hedging or protecting against interest rates or other costs of borrowing money.

4.5   As a member of the Local Government Association Mutual Liability Scheme, East Waste is bound by the Scheme Rules, which include an obligation to ensure that adequate risk management and prevention strategies are put in place so as to absolutely minimise the risk of any incident, circumstance or matter that may give rise to a claim.

Roles & responsibilities

6.1   Board

The Board is responsible for:

a)   Setting the organisation's risk appetite and policy for managing risk;

b)   Giving adequate consideration to risks when setting objectives and making decisions;

c)   Fostering a culture that is consistent with the organisation's appetite for risk;

d)   Ensuring the organisation has the structures and processes in place to support decision making and management of risk;

e)   Setting an appropriate governance structure for risk and risk management including Audit Committee and delegations;

f)   Requiring the General Manager to demonstrate that the framework for managing risk is effective and appropriate; and

g)   Requiring the General Manager to provide information to allow the Board to understand the risks that may have material impacts on achievement of the organisation's objectives; and

h)   Considering recommendations from the Audit Committee relating to strategic risks or any other risk matter.

6.2 Audit and Risk Management Committee

The Audit and Risk Management Committee is responsible for:

a)   Reviewing reports from the East Waste Management Team and auditors to ascertain the adequacy of controls that have been implemented; and

b)   Monitoring strategic risks on an annual basis.

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6.3 General Manager (GM)

The GM has the responsibility for:

a) Promoting a strong risk management culture by providing firm and visible commitment to risk management including ensuring appropriate accountability for the management of risk;

b) Reviewing and endorsing the Risk Management Framework;

c) Developing and implementing a framework that delivers a consistent approach to risk management by allocating resources and assigning authority, responsibility & accountability at appropriate levels within the organisation;

d) Allocating and upholding accountability for managing risk;

e) Ensuring the Management Team have the necessary knowledge and skills to effectively fulfil their risk management responsibilities;

f) Regularly reviewing strategic and operational risks and maintaining an understanding of the environment in which the organisation operates, the risks it faces and the effectiveness of its controls;

g) Ensuring compliance with legislative and contractual obligations and policy requirements;

h) Providing reliable information about risks, controls and their effectiveness to the Board; and

i) Escalating all strategic risks that exceed the organisation's risk appetite to the Board, as required

6.4 Management Team

Members of the Management Team are responsible for:

a) Commitment to, and promotion of, this Policy and the Framework;

b) Monitoring the organisation's overall risk profile and mitigation strategies;

c) Ensuring that risk management is embedded into all functions and activities, including decision making;

d) Ensuring that risks that cannot be treated immediately are recorded on the risk register and that there is ongoing and regular review of the risk register, (including follow up and close out of overdue risk treatments);

e) Ensuring that staff, contractors, volunteers and other relevant stakeholders have the appropriate skills to be actively be involved in managing risk;

f) Promoting a proactive risk culture in accordance with business management initiatives;

g) Collectively reviewing strategic risks and considering emerging risks, (prior to Audit Committee)

h) Ensuring compliance with legislative and contractual obligations and policy requirements

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6.5 Manager Business Services (Risk Manager)

The Risk Manager is responsible for:

a) Providing guidance and assistance to the Management Team and employees in relation to the application of this policy and the Risk Management Framework;

b) Ensuring relevant risk information is recorded in the Risk Register and reported and escalated to the Management Team or cascaded to employees, as relevant;

c) Maintaining this Risk Management Policy and the Framework to ensure their currency and relevance; and

d) Maintaining the Risk Register and reporting timeframes as required.

e)

6.6 Employees, Volunteers and Contractors (Workers):

All Workers are responsible for:
a) Understanding the risk management processes that apply to their area of work; and

b) Identifying, evaluating, reporting and managing, (or escalating,) risks relating to daily activities and projects .

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Document History:	Version No:	Issue Date:	Description of Change:
	1.0	February 2024	New Document

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