



CORP5 MANAGEMENT POLICY

Aim	The Shire of Ashburton is committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient, and effective assessment of risk in all planning, decision making and operational processes.
Application	Elected Members and Staff
Statutory Environment	<i>Local Government Act (1995) 5.56(2)</i>
Principles	Strategic Community Plan 2017 – 2027 (Desktop Review 2019) Goal 05 Inspiring Governance Objective 3 Council leadership
Approval Date	OMC 17 December 2019 (MINUTE: 722/2019)

1. Objective

The objective of this Policy is to state the Shire of Ashburton's (the 'Shire's') intention to identify potential risks so that impacts can be minimised or opportunities realised; ensuring that the Shire achieves its strategic and corporate objectives efficiently, effectively and within good corporate governance principles.

2. Policy

It is the Shire's Policy to achieve best practice (aligned with AS/NZS ISO 31000:2018 Risk Management – Guidelines), in the management of all risks that may affect the Shire to meet its objectives.

Risk management functions will be resourced appropriately to meet the size and scale of the Shire's operations and will form part of the Strategic, Operational, and Project responsibilities and be incorporated within the Shire's Integrated Planning Framework.

This policy applies to Council Members, all employees, volunteers and contractors involved in any Shire operations.



3. Risk Management Objectives:

The following points provide detail on the objective specifics:

1. Aligns with and assist the implementation of all Shire policies.
2. Optimises the achievement of the Shire's vision, strategies, goals and objectives.
3. Provides transparent and formal oversight of the risk and control environment enabling effective decision making.
4. Embeds appropriate and effective controls to mitigate risk.
5. Achieves effective corporate governance and adherence to relevant statutory, regulatory and compliance obligations.
6. Enhances organisational resilience.
7. Identifies and provides for the continuity of critical operations.

4. Policy Definitions (from AS/NZS ISO 31000:2018)

Risk: Effect of uncertainty on objectives.

Note 1: An effect is a deviation from the expected positive or negative.

Note 2: Objectives can have different aspects (such as financial, health and safety and environmental goals) and can apply at different levels (such as strategic, organisation wide, project, product or process).

Risk Management: Coordinated activities to direct and control an organisation with regard to risk.

Risk Management Process: Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context and identifying, analysing, evaluating, treating, monitoring and reviewing risk.



5. Roles & Responsibilities

Council's role is to;

- Review and approve the Shire's Risk Management Policy and Risk Assessment & Acceptance Criteria;
- Finance the Auditor General's appointment of external Auditors; and
- Establish and maintain an Audit & Risk Management Committee in terms of the *Local Government Act*.

The CEO is responsible for:

- The implementation of this policy;
- Measurement and reporting on the performance of risk management;
- Review and improvement of this Policy and the Shire's Risk Management Framework/Procedures at least biennially or in response to a material event or change in circumstances; and
- The allocation of roles, responsibilities and accountabilities.

6. Risk Assessment and Acceptance Criteria (Appendix 1)

All identified risks are to be assessed according to the Shire's Risk Assessment and Acceptance Criteria to allow consistency and informed decision making. For operational requirements such as projects or to satisfy external stakeholder requirements, alternative risk assessment criteria may be utilised, however these cannot exceed the organisation's risk appetite and are to be noted within the individual risk assessment.

7. Monitor & Review

The Shire will implement and integrate a monitor and review process to report on the achievement of the Risk Management Objectives, the management of individual risks and the ongoing identification of issues and trends.

This policy will be kept under review by the Shire's Executive Management Team and will be formally reviewed by Council *biennially*.

8. Related Documents

- CORP5 Risk Management Framework (Internal)
- CORP5 Strategic and Operational Risk Register (Internal)
- ELM14 Governance Policy.