1/022   Risk Management

Objective

The Town of Port Hedland (the "Town") is committed to implementing organisation wide risk management principles, systems and processes to ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes.

Content

Policy Statement

The Town supports an organisation-wide approach to risk management to identify and manage risks associated with the performance of the Town's functions and the delivery of services to its community.

It is the policy of the Town that all departments implement the Risk Management Framework and associated procedures that provide a consistent process for the assessment and management of risk. A proactive and consistent approach to Risk Management will strengthen the Town's sustainability and safeguard its assets, infrastructure, people, finances and reputation.

The Town has an expectation for all its Employees, Consultants, Contractors, and Volunteers to appropriately identify, manage and report risks in their business activities and areas of business.

Council is committed to the principles, framework and process of managing risk as outlined in AS ISO 31000:2018.

Risk Management Objectives

- The achievement of organisational goals and objectives
- The ongoing health and safety of all employees at the workplace
- Ensuring public safety within the Council's jurisdiction is not compromised
- Limited loss or damage to property and other assets
- Limited interruption to business continuity
- Positive public perception of Council and the Town of Port Hedland
- Application of equal opportunity principles in the workforce and the community.
- Identify and address fraud risks before they materialise.

Risk Management Process

The Town will manage risks continuously, in accordance with AS ISO 31000:2018, using a process as follows:

- Identification of risk
- Analysis of risk
- Evaluation of risk
- Treatment of risk
- Monitoring and review of risk, and
- Reporting of risk.

The Town will ensure recorded risks are robustly reported in accordance with its Risk Management Framework and will regularly monitor the management of recorded risks to ensure timely closeout and identification of ongoing issues and trends.

It will be applied to decision making through all levels of the organisation in relation to planning or executing any function, service or activity.

In particular it will be applied to:

- Strategic planning
- Expenditure
- New strategies and procedures
- Management of projects, tenders and proposals
- Introducing significant change, and
- The management of sensitive areas

Risk Management Framework

The Town's Risk Management Framework is a set of components that provide the foundations and organisational arrangements for integrating, designing, implementing, monitoring, reviewing and continually improving risk management processes across the Town's activities and functions.

The Town is committed to maintaining an effective, efficient and tailored risk management framework that consists of and interconnects with:

- The Risk Appetite Statement
- Policy 1/022 Risk Management
- Risk Management Implementation Plan
- Risk Registers
- Risk Management Procedures, and
- A Project Management Framework

The Town's Risk Management Framework enables:

- A formal, structured approach to risk management that is appropriate to the Town's activities and operating environment, and
- A risk management approach consistent with the principles of AS ISO 31000:2018.

Fraud Risk Management

Fraud risk management is integral to the Town's overall risk management strategy and is managed in accordance with both the Risk Management Framework and AS 8001:2021 Fraud and Corruption Control. The Town recognises fraud risk as a significant category of risk and is committed to a comprehensive approach to mitigate fraud risks across all operations and activities.

Roles and Responsibilities

A summary of roles and responsibilities is found below. Roles and responsibilities are clearly articulated in the Town's Risk Management Framework. All employees, consultants, contractors and volunteers should familiarise themselves with their roles and responsibilities.

- ARC Committee – Will ensure the Town has in place a current and comprehensive risk management framework and associated procedures.
- Audit, Risk and Insurance Business Unit – Is responsible for developing and reviewing the Town's risk management framework and associated policies and procedures.
- CEO – Ensures risk management is embedded and applied throughout the Town.
- Council – Adopts and reviews the Risk Management Policy as required and provides adequate budgetary provision for risk management.
- Employees, consultants, contractors and volunteers – Are responsible for understanding the Town's risk appetite as it relates to their role.
- ELT – Are risk champions and promote a culture of risk awareness through open and effective communication.
- Project Managers – Are risk owners and are accountable for the implementation of project risk management within their department.
- SLT – Are risk owners and are accountable for the implementation of operational risk management within their department.

Definitions

Key Definitions	
Risk	The effect of uncertainty on objectives.
Risk Management	Coordinated activities to direct and control an organisation with regard to risk.
Risk Management Framework	Set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management processes throughout the organisation.

Relevant legislation	*Local Government (Audit) Regulations 1996*
Delegated authority	Nil
Business unit	Audit, Risk & Insurance
Directorate	Corporate Services

Governance to complete this section			
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