



ATTACHMENTS

**Under Separate Cover
Council Meeting**

6.00pm Tuesday 15 December 2020

Table of Contents

7.13	Risk Management Framework	
	Attachment 1 Risk Management Framework	4
	Attachment 2 Risk Appetite Statements, Strategic & Organisational Risks and Risk Assessment Matrix	34

RISK MANAGEMENT FRAMEWORK



Risk Management Framework

Date:

23 July 2020

RISK MANAGEMENT FRAMEWORK

Document History

Location

This document is stored in the following location:

Filename	Risk Management Framework
AltusECM Ref.: INT20/20338099	Golden Plains Shire Council Risk Management Framework - June 2020
G:\CorporateServices\Risk Management\Risk Management Framework	Golden Plains Shire Council Risk Management Framework - June 2020

Endorsement and Adoption

This document has been endorsed / adopted by:

Name	Version Issued	Date
Senior Management Team	1	27 July 2020
Audit & Risk Committee	1	8 September 2020
Council	1	TBC

Revision History

This document has been through the following revisions:

Area reviewed	Focus of review	Date	Version Number
Full Review	Risk Management Framework	23 July 2020	1

RISK MANAGEMENT FRAMEWORK

Preamble

The purpose of risk management is to create value, improve performance, encourage innovation and support the achievement of objectives.

Golden Plains Shire Council leadership team have worked together to provide input to the development of the enterprise risk management framework (the Framework).

The Framework outlines council's risk management approach.

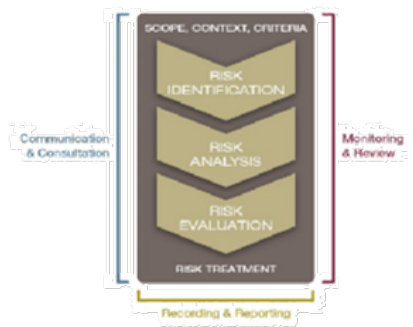
In determining the type of framework that would enable continuous improvement and drive a positive risk management culture, it was determined that the Framework be aligned to the principles based standard – ISO 31000:2018 (the Standard).

This Standard is focused on driving continuous improvement. It is also the Standard used within Australia and overseas by governments and both the not-for-profit and private sectors.

As a result, when working in partnership with business and government, there is a foundation to drive sound risk management practice

The Standard comprises of three key components - Principles, Framework and Process, a pictorial representation of these components is outlined below.

Principles for Risk Management
<i>For risk management to be effective it needs to be</i>
1-Integrated – risk management is an integral part of all our activities.
2-Structured and comprehensive – risk management contributes to consistent and comparable results.
3-Customised – risk management and process are customised and proportionate to the organisation.
4-Inclusive – risk management knowledge, views of stakeholder and perceptions to be considered.
5-Dynamic – risk management anticipates, detects, acknowledge and responds to those changes and events in an appropriate and timely manner.
6-Best available information – risk management explicitly takes into accounts any limitations and uncertainties.
7-Human and cultural factors – risk management takes into accounts human and cultural factors.
8-Continual improvement –risk management is continually improved through learning and experience.



RISK MANAGEMENT FRAMEWORK

Table of Contents

PREAMBLE	3
GLOSSARY	5
SECTION 1 – RISK MANAGEMENT FRAMEWORK	7
1.1 INTRODUCTION	7
1.2 RISK MANAGEMENT FRAMEWORK ELEMENTS.....	7
1.3 MANDATE AND COMMITMENT	7
1.4 DESIGN OF FRAMEWORK FOR MANAGING RISK	7
1.5 IMPLEMENTING THE FRAMEWORK.....	7
1.6 MONITORING AND REVIEW OF THE FRAMEWORK	7
1.7 RISK MANAGEMENT OBJECTIVES	8
1.8 PERFORMANCE MEASURES	8
AREA 1-MEASURING COMPLIANCE	8
AREA 2 –MEASURING MATURITY	9
AREA 3 – MEASURING BENEFIT	10
1.9 DESIGN	10
1.9.1 RISK MANAGEMENT COMMITMENT	10
1.9.2 ROLES RESPONSIBILITIES S AND ACCOUNTABILITIES	10
1.10 IMPLEMENTATION.....	14
10.1 RISK REGISTERS.....	14
1.11 EVALUATION.....	14
1.12 IMPROVEMENT.....	15
SECTION 2 – RISK MANAGEMENT WORK PLAN	16
2.1 RISK CULTURE.....	16
2.2 RISK GOVERNANCE	17
2.3 RISK RESOURCES	19
2.4 RISK PROCESS	20
2.5 RISK ASSURANCE.....	21
2.6 INTERAGENCY RISK	21
SECTION 3- RISK MANAGEMENT PROCESS	22
3.1 COMMUNICATION AND CONSULTATION.....	24
3.2 ESTABLISHING THE CONTEXT OR SCOPE.....	24
3.3 RISK IDENTIFICATION	25
3.4 RISK ANALYSIS	27
3.5 RISK TREATMENT.....	28
3.6 CONTINUALLY MONITOR AND REVIEW.....	29
ATTACHMENT 1- TERMS OF REFERENCE	30

RISK MANAGEMENT FRAMEWORK

Glossary

Risk Management Definitions	
Communication and consultation	Continual and iterative processes that an organisation conducts to provide, share or obtain information and to engage in dialogue with stakeholders regarding the management of risk.
Consequences	Outcome of an event affecting the objectives. <ul style="list-style-type: none"> <i>A consequence can be certain or uncertain and can have positive or negative direct or indirect effects on objectives.</i>
Control	Measure that maintains and or modifies risk. <ul style="list-style-type: none"> <i>Controls are not limited to, any process, policy, device, practice or other conditions and or actions which maintain and or modify risk.</i> <i>Controls may not always exert the intended or assumed modifying effect.</i>
Establishing the context	Defining the external and internal parameters to be considered when managing risk and setting the scope and risk criteria for the risk management policy.
Event	Occurrence or change of a set of circumstances. <ul style="list-style-type: none"> <i>An event can have one or more occurrences and can have several causes and several consequences.</i>
External context	External environment in which the organisation seeks to achieve its objectives.
Internal context	Internal environment in which the organisation seeks to achieve its objectives.
Level of risk	Magnitude of a risk or combination of risks expressed in terms of the combination of consequences and their likelihood.
Likelihood	Chance of something happening.
Monitoring	Continual checking; supervising, critically observing or determining the status to identify change from the performance level required or expected.
Residual risk	Risk remaining after risk treatment.
Review	Activity undertaken to determine the suitability, adequacy and effectiveness of the subject to achieve established objectives.
Risk	Effect of uncertainty on objectives. <ul style="list-style-type: none"> <i>An effect is a deviation from the expected. It can be positive, negative, or both and can address, create or result in opportunities or threats.</i>
Risk analysis	Process to comprehend the nature of risk and to determine the level of risk.
Risk assessment	Overall process of risk identification, risk analysis and risk evaluation.
Risk attitude	Organisation's approach to assessing and eventually pursuing, retaining, taking or turning away from risk.
Risk criteria	Terms of reference against which the significance of a risk is evaluated.

RISK MANAGEMENT FRAMEWORK

Risk Management Definitions	
Risk evaluation	Process of comparing the results of risk analysis with the risk criteria to determine whether the risk and/or its magnitude are acceptable or tolerable.
Risk identification	Process of finding, recognising and describing risks.
Risk management	Coordinated activities to direct and control an organisation in relation to risk.
Risk management framework	Set of components that provide the foundations and organisation arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.
Risk management plan	Scheme within the risk management framework specifying the approach, components and resources to be applied to the management of risk.
Risk management policy	Statement of overall intentions and direction of an organisation related to risk management.
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.
Risk owner	Person or entity with the accountability and authority to manage a risk.
Risk profile	Description of any set of risks.
Risk source	Element which, either alone or in combination, has the potential to give rise to risk.
Risk treatment	Process to modify a risk.
Stakeholder	Person or organisation that can affect, be affected by or perceive themselves to be affected by a decision or activity. <ul style="list-style-type: none"> • <i>The term interested party can be used as an alternative to stakeholder.</i>
Reference: AS/NZS ISO 31000:2018 Risk Management—Principles and Guidelines	

RISK MANAGEMENT FRAMEWORK

Section 1 – Risk Management Framework

1.1 Introduction

Golden Plains Shire Council's risk management framework (the Framework) outlines how council arranges, organises and manages risk across the organisation.

1.2 Risk Management Framework Elements

The key elements of the Framework are summarised below

1.3 Mandate and Commitment

There is a strong and sustained commitment to ensure the ongoing effectiveness of risk management in the organisation.

Council sets risk appetite. Risk appetite represents the types and degree of risk council is willing to take or accept in pursuit of achieving its objectives.

Council's risk appetite has been expressed through statements and outlined below:

Risk Appetite Statements

Promoting healthy and connected communities

- We have a moderate appetite for innovative customer centric plans, strategies, initiatives and activities that deliver services for the changing needs of our community.
- We have low appetite to activities which may compromise or diminish health and safety of our people, employees and community.

Enhancing local economies

- We have a moderate appetite for innovation and the development of new ideas to increase our local economy and deliver long term sustainable trading precincts.
- We have a low appetite for activities that may decrease business confidence or that may lead to a reduction in our community use of local trading precincts.

Managing the natural and built environment

- We have a moderate appetite for innovation that provides sustainable and renewable resources to the community.

Delivering good governance and leadership

We have a low appetite for any breaches in legislation, professional standards, ethics, fraud and corruption.

- We have a low appetite for things which would impact negatively on its reputation, brand or ethical standing.
- We have a moderate appetite for any risks that will impact on the achievement of the financial targets.

Leadership

The management team take a leadership role in leading and supporting all employees focus on the risks that matter. The Director Corporate Services is the appointed Chair of the Risk Management Committee and responsible for overseeing the Framework and managing the resources to support the Framework.

The overall implementation of the Framework is the responsibility of the leadership team.

1.4 Design of framework for managing risk

The framework for management risk requires a systematic approach so it is relevant, effective, efficient and adequate. The Framework will include appropriate risk management strategies, including:

- Working with other agencies to manage risk
- A risk management policy and plan
- Effective governance
- Communication and reporting arrangements
- Resource requirements and risk management accountabilities.

1.5 Implementing the framework

The risk management process is applied consistently at all relevant levels and functions as part of its practices and processes. Investment in resources and capabilities will enable council to effectively and efficiently apply its risk management activities.

1.6 Monitoring and review of the framework

The Framework will be reviewed annually and enhanced as required to ensure the Framework is dynamic, kept up-to-date and relevant.

RISK MANAGEMENT FRAMEWORK

1.7 Risk Management Objectives

Objective 1- Risk management is integrated into everything we do

Risk management is not a stand-alone activity and requires integration with existing business processes.

This will be achieved by incorporating risk management to strategic and business planning, budgeting and project management.

The deliverables for driving integrated risk management activity are outlined in the risk management framework workplan as outlined in Section Two of the Framework.

Objective 2 – Risk management is focused on continuous improvement

Risk management need to support and drive a culture of continuous implement to achieve this performance will be measured. This will be achieved through measuring compliance, measuring maturity and measuring value and benefit.

- **Measuring compliance** - This measure whether council is complying with its risk management framework directives.
- **Measuring maturity**: This measures the maturity of the Framework
- **Measuring benefit**: This measures the extent to which risk management is contributing to the achievements of council objectives and outcomes.

Performance measures are outlined in the following section of the Framework – (Go to Section 1.8 Performance Measures).

The annual 'state of the Framework report is to be reported to Risk Management Committee, Corporate Management Team and Audit and Risk Committee.

1.8 Performance Measures

Area 1-Measuring compliance

	Requirement	Key Performance Indicator (KPI)	Measure and Target	Accountability
1.0	Training			
1.1	Managers are to receive risk management training to improve their risk management skills.	% of Managers that have received council approved risk management training.	Nominated Managers received council approved risk management training	Directors
2.0	Strategic risk profile			
2.1	The strategic risk Profile is critically reviewed annually.	% annual risk reviews conducted.	100% of risk reviews conducted	Directors Manager
2.2	Strategic risk profile reports to be provided to SMT every 6 months (August and February).	% of reports provided to the appropriate committees within specified timeframes.	100%	Director Corporate Services
3.0	Operational risk profiles			
3.1	Operational Risk Profiles are reviewed quarterly as part of the business planning process. They are discussed and reported to SMT.	% quarterly risk reviews conducted.	100% of risk reviews conducted	Managers
3.2	All operational Risk Profiles are maintained on risk register in a	% of organisation maintaining a risk register.	100%	Directors Managers

RISK MANAGEMENT FRAMEWORK

	Requirement	Key Performance Indicator (KPI)	Measure and Target	Accountability
	specified format and critically review the risk register as part of Business Planning.			
3.3	Operational - Program Risk Profiles are to be maintained for: <ul style="list-style-type: none"> TBC. 	% of nominated Programs maintaining a risk register.	100% of nominated Programs	Nominated Program Manager
3.4	Specialist Risk Profiles are maintained for: <ul style="list-style-type: none"> Safety And disruption risk (business continuity planning and emergency management) 	% of nominated specialist areas maintaining a risk register.	100% of nominated Specialist Areas	TBC
3.5	The existing controls for the risks with severe or major consequences are to be maintained, as far as possible, as effective, with evidence to support the assessment.	% of controls for risks with severe or major consequences are effective, with evidence to support the assessment.	100%	All Managers
3.6	Managers are to attest that operational risk profiles they are responsible for have been reviewed in the last 12 months.	% attestation.	100%	All Managers
4.0	Audit and Risk Committee			
4.1	The Audit and Risk Committee review the annual 'state of the RMF' report and associated risk instruments.	Outcome of review of compliance measurement.	Annually	Director Corporate Services

Area 2 –Measuring maturity

Risk maturity is not a static concept. Over time the working environment changes, and risk management also needs to evolve to ensure it continues to support council in achieving its objectives.

Current risk maturity - Consistent with leading practice, the leadership team have undertaken a self-assessment of risk maturity and determined that the current maturity of risk management practice is assessed as **'Developing'** working towards **Integrated**.

RISK MANAGEMENT FRAMEWORK

Features	Developing	Developed	Integrated
Culture	■		
Governance	■		
Resources	■		
Process	■		
Assurance	■		
Interagency	■		

Area 3 – Measuring benefit

Risk management creates value and support decision making by have a structured approach to the identification and assessment of strategic and operational risk. The benefit will be measured through the implementation of the Frameworks key performance indicators and implementation of actions as stated in the risk management framework workplan.

1.9 Design

The Framework for managing risk has been designed our maturity, our business objectives, deliverables, stakeholder.

Our approach to risk is focused on examining and understand the external the social, cultural, political, legal, regulatory, financial, technological, economic and environmental factors, key drivers and trends affecting the objectives of council, external stakeholders' relationships, perceptions, values, needs and expectations, contractual relationships and commitments; and complexity of networks and dependencies.

We are working towards embedding risk into our processes, systems and structures through:

- Vision, mission and values
- Governance, organisational structure, roles and accountabilities
- Strategy, objectives and policies
- Risk culture
- Adopted standards, guidelines
- People capabilities
- Data, information systems and information flows
- Relationships with internal stakeholders
- Contractual relationships and commitments.

1.9.1 Risk Management Commitment

Council and the leadership team are committed to continuous improvement and measuring risk management performance.

1.9.2 Roles responsibilities s and accountabilities

Council

The Council will work with the Chief Executive Officer to:

- Develop the Council Plan
- Approve Council's risk appetite
- Identify, assess and monitor strategic risk

Chief Executive Officer

RISK MANAGEMENT FRAMEWORK

The Chief Executive Officer has ultimate responsibility for risk management. The CEO will:

- Promote risk management as a vital business principle, provide a safe and healthy work environment and enable Council and employees to meet their duty of care to in protecting its people, community, assets and operations.

Audit & Risk Committee

- The Audit & Risk Committee will monitor the development and effectiveness of Council's strategic risks and the effectiveness of the risk management framework.
- They will review and recommend to Council a strategic annual internal audit plan ensuring the internal auditor's annual plan is linked with and covers the material business risks.
- The Audit and Risk Committee will provide advice and recommendations relevant to its charter. The Committee will monitor processes and practices to ensure effective business continuity and annually review the risk management policy.

Directors

The Directors are responsible for their division's risk management performance. The Directors will:

- Implement the risk management framework, ensuring appropriate resources for risk management actions are made available and ensuring effective monitoring, reviews and reporting are undertaken.
- Promote risk management as a vital business principle, monitor and evaluate the performance of managers against their risk management accountabilities and assist managers in the identification, evaluation and mitigation of risks associated with their Key Result Areas and activities.

Senior Management Team

- The Senior Management Team (SMT) are responsible for the monitoring, reporting and management of risk across the organisation. The SMT will be appointed as members of the Risk Management Committee. The terms of reference for the RMC outline their roles and responsibilities.

- **Risk Management Committee**

The Risk Management Committee has overall responsibility for the implementation of the Risk Management Plan. The RMC terms of reference is provided as Attachment 1.

Managers, Coordinators and Team Leaders

Managers, Coordinators and Team Leaders are responsible for implementing the Risk Management Policy, Framework and procedures across the organisation and supporting their Directors to fulfil their risk management obligations. Individual Managers, Coordinators and Supervisors will:

- Promote risk management as a vital business principle
- Understand the principles of risk management, including the intent of the Policy and Framework;
- all risks within their jurisdiction assessed as moderate or above
- Assist subordinate employees in the identification, evaluation and mitigation of risks associated with their Key Result Areas and activities
- Enter all risks within their jurisdiction onto the Council's Risk Register and manage them
- Keep employees appropriately informed of all changes relating to registered risks
- Advise of any risk issues within their jurisdiction that should be incorporated in forthcoming budgets;
- Contribute to the development of the Council's Business Continuity Plan
- Foster and cultivate an appropriate risk management culture across the organisation.

Director Corporate Services

- The Director is responsible for overseeing the development, facilitation and implementation of a risk management culture and framework and chairing the Risk Management Committee.

Corporate Governance & Risk Coordinator

The Corporate Governance & Risk Coordinator will:

- Act as Secretariat to the Risk Management Committee

RISK MANAGEMENT FRAMEWORK

- Provide advice and assistance to all employees in relation to the development and implementation of an effective risk management system, encourage employees and business partners, contractors and volunteers to actively employ risk management in their decision-making processes;
- Assist all employees with the procedural aspects of risk management
- Develop a risk management training program for the council
- Report on the state of the plan and risk management performance to the Audit & Risk Committee;
- Monitor Business Units compliance with implementation, review and maintenance of risk management procedural requirements.

Employees

- All employees will be expected to support the effective implementation and operation of Golden Plains Shire Council's risk management approach. All employees members are to:
- Understand and observe the Risk Management Policy, Framework and related procedures
- Assist their manager in the identification and management of risks to be entered the Council's Risk Register.
- Contribute to the development and implementation of Risk Treatment Plans and strategies within their jurisdiction.
- Identify, evaluate and mitigate risks associated with their Key Result Areas and activities.
- Provide timely assistance and requested information in relation to any insurance claim or risk management issue.
- Make loss control/prevention a priority whilst undertaking daily tasks in the Council's operations.
- Complete a formal risk assessment for proposed events and projects.
- Perform their duties in a manner that does not represent an unacceptable level of risk to the health and safety of themselves, other employees, the customers or visitors, contractors or the wider community.
- Report any illness, injury, hazard, near miss or incidents and losses as soon as they are detected to their manager or supervisor; and encourage the public to respect Council property.

People and Culture Manager

- In addition to the generic responsibilities under this Framework, the People and Culture Manager will:
- Be responsible for overseeing the development and maintenance of the work, health and safety culture, framework and systems throughout Council; and Incorporate risk management training program into the learning and development schedule.

Manager Corporate and Community Planning

- In addition to the generic responsibilities under this Framework, the Manager Corporate and Community Planning will be responsible for overseeing the integration of the Framework in Council and corporate planning.

Events and Special Projects Managers / Engineers / Employees

In addition to their generic responsibilities under this Framework, employees with responsibility for events and special projects are to undertake and document a formal risk assessment for all proposed events and or projects, prior to being submitted for funding or approval. This assessment must:

- Consider known risks identified for similar events/projects.
- Identify unique risks associated with and event or project.
- Where possible, modify the design of the event/project to eliminate or at least minimise these known risks.
- Where risks cannot be eliminated through redesign or re-engineering, establish plans to mitigate the risk to an acceptable level during an event or after completion and implementation of a project.

Contract / Tender Managers

- In addition to their generic responsibilities under this Framework, Contract and Tender Managers are to Ensure that tenders issued, and contracts let by the Council comply with the risk management, insurance and indemnity requirements of Australian Standard AS 4000/1997 General Conditions of Contract and conform to the intent of the Council's Risk Management Policy and Framework.

Facility Managers

- In addition to their generic responsibilities under this Framework, Facility Managers will:

RISK MANAGEMENT FRAMEWORK

- Develop and maintain an inspection program for all council owned and controlled buildings, which complies with all Council's statutory and regulatory obligations and bi-annual external audit program
- Generate maintenance activities from the inspections conducted
- Ensure that maintenance activities are carried out in accordance with applicable specifications and standards.

1.9.3 Allocating resources

Council is committed to identifying and allocating the necessary physical and financial resources to the management of risk across the organisation.

When determining resource requirements consideration will be given to the following:

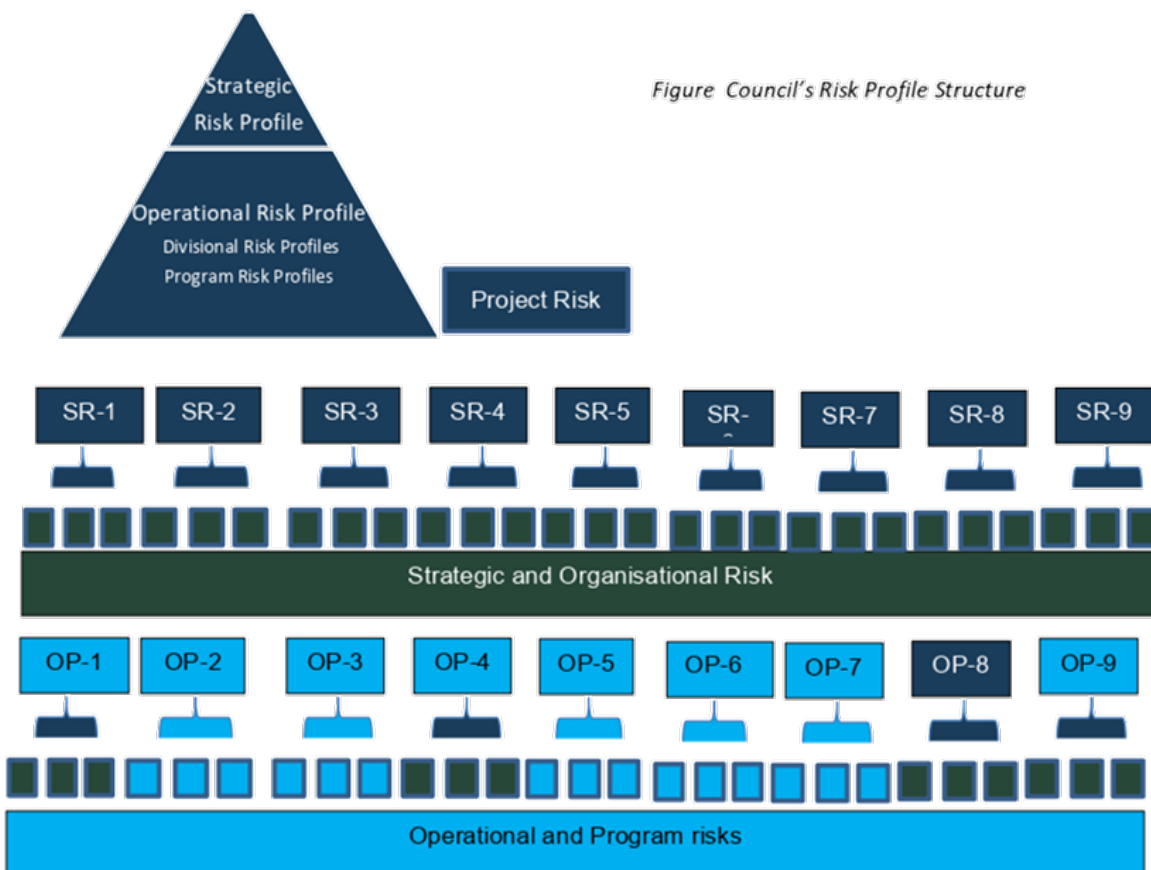
- People, skills, experience and competence
- Resources needed for each step of the risk management process
- The council processes, methods and tools to be used for managing risk
- Documented processes and procedures
- Information and knowledge management systems
- Training programs.

Tools and Systems

- Strategic and Organisational Risk Register (Refer to separate attachment)
- Operational risk register (Refer to separate attachment)
- Risk Management Framework (Refer to Section 1, 2 and 3)

1.9.4 Communication and Consultation

Council has developed a risk profile structure the identification, assessment and management of risk the profile structure comprises of three levels. **Level 1-Strategic, Level 2-Operational and Level 3-Project.**



RISK MANAGEMENT FRAMEWORK

Table 1 - Risk Profile Structure

Risk Profile Structure	
<p>Level 1 – Strategic and Organisational</p> <p>Strategic risks are forward looking and linked to the strategic objectives. The time horizon for these risks are typically the time horizon of the strategic plan (i.e. four-years) Strategic risks are limited in number and externally focused.</p> <p>Organisational risks are operational in nature and will enable the delivery of the strategic objectives. These risks are limited in number and typically focused on critical controls that need to be strengthened.</p>	<p>These risks are set against the council plan and reviewed annually.</p>
<p>Level 2 – Operational and Program</p> <p>Operational risks are the critical risks and may have an impact on delivering the business objectives. Operational risks should be linked to strategic risks (Level 1). There are two categories of operational risk o Department and Program</p> <ul style="list-style-type: none"> • Department risks are the risks which will impact on the delivery of the business objectives and should be considered after the annual priorities have been determined but before annual budgets are finalised. • Program risks are the risks which will impact on the delivery of events. How these program risk profiles link to strategic or operational risks will be determined during the development of the program risk profile. Project risk profiles are linked to the program risk profile. 	<p>These risks are set Division business and program objectives and annually reviewed.</p>
<p>Level 3 – Project</p> <p>Project risks are the critical risks which may impact on the delivery of projects. The risk focus is on outcome/benefit, schedule and cost. These risk governance requirements are provided in the Project Management Framework.</p>	<p>These risks are focused on delays in schedules, change in scope or budget</p>

1.10 Implementation

The risk management framework will be implemented through meeting key performance indicators and implementation of the risk management framework workplan.

10.1 Risk Registers

Golden Plains will maintain three risk registers. They are:

1. Strategic and Organisational risk register (see attached)
2. Operational and Program risk register – (In development, refer to risk management framework workplan)
3. Project Risk Register – (In development, refer to the risk management framework workplan)

1.11 Evaluation

The Framework requires regular monitoring and review to assess its effectiveness and level of implementation across the business. The state of the Plan will be reviewed annually reported to the Risk Management Committee and Audit and Risk Committee.

RISK MANAGEMENT FRAMEWORK

1.12 Improvement

The continuous improvement approach to risk management will drive performance improvement and risk maturity.

RISK MANAGEMENT FRAMEWORK

Section 2 –
Management Work Plan

Risk

2.1 Risk Culture

This is the behaviour of the people supporting a strong and robust risk management practice.

<p>1- Risk Culture</p>	<p>Our leaders are committed to risk management and value employee contributions to risk management.</p> <p>This is demonstrated by:</p> <ul style="list-style-type: none"> • Directors and Managers leading and championing risk management • management being committed to learning from positive and negative outcomes • Evidence that risk management is considered in decision-making processes in the organisation • Risk management approach and practices being visible and resources reflecting the priority of risk management • Sharing of information on risks and strong team work across the organisation • Ethics and values enabling management to take a balanced approach to risk management and • Linking risk management practices to the ethics and values that have been agreed and communicated. • Working towards a strong safety culture. 	
<p>2019-21 Improvement Focus</p>	<p>During the next 12 months, the improvement focus of risk culture is to:</p>	<p>Implementation Plan</p>
	<p>The Senior Management Team need to review the risk principles as outlined in the ISO 31000:2018 and articulate how these principles apply to all key aspects of the business. The outcome should be documented, incorporated into the revised RMF and communicated to all employees.</p>	<p>Responsible Officer: Director Corporate Services Completed by: Director Corporate Services 100% completed</p>
	<p>The Senior Management Team in consultation with Council should develop risk appetite statements and assign KPIs to measure whether the business is operating within an acceptable and or tolerable level of appetite.</p>	<p>Responsible Officer: Director Corporate Services Completed by: Director Corporate Services 100% completed</p>
<p>The Senior Management Team should establish a risk management committee and provide this committee with delegations to make decisions about approach and management of risk.</p>	<p>Responsible Officer: Director Corporate Services Completed by: Director Corporate Services 50% completed</p>	

RISK MANAGEMENT FRAMEWORK		
2.1	Management should develop a structure to drive a more formal engagement of managers and employees on risk management practice. There is an opportunity for employees to share information.	Responsible Officer: Director Corporate Services Completed by: % completed
	The Senior Management Team should determine the desired level of maturity that is appropriate for Golden Plains Shire Council.	Responsible Officer: Director Corporate Services Completed by: Director Corporate Services 100% completed
2.2 Risk governance		
Risk governance drives performance, conformance and maturity. They are the processes designed to supports decision making, embed risk strategy and accountabilities.		
2-Risk Governance	Risk management governance is aligned to corporate governance. This is demonstrated through: <ul style="list-style-type: none"> • Documented risk governance practices • Risk management responsibilities being aligned with an individual's authority and documented in the organisation's delegated authorities • Risk management governance practices and accountability embedded in the organisational planning framework • Key legal and regulatory compliance obligations being met and • Audit and Risk Committee charter having risk management oversight responsibilities and receiving risk reports to support oversight of these responsibilities. 	
	In the next 12 months, we will mature risk governance by:	Implementation
2019-21 Improvement Focus	1. Updating the Framework to align to the ISO 31000:2018 and seek SMT approval and Council endorsement. (REF IA GPSC Risk Management report 2019)	Responsible Officer: Coordinator Governance & Risk Completed by: Coordinator Governance & Risk 80% completed
	2. The enterprise risk management plan (that outlines the risk rating tools) needs to be deployed to all employees. (REF IA GPSC Risk Management report 2019)	Responsible Officer: Coordinator Governance & Risk

RISK MANAGEMENT FRAMEWORK		
		Completed by: % completed
	3. As part of reporting requirements, strategic risk owners should present their strategic risks as case studies to the Audit and Risk Committee. This could be managed through development of a presentation schedule. (REF IA GPSC Risk Management report 2019)	Responsible Officer: Coordinator Governance & Risk Completed by: Coordinator Governance & Risk 80% completed
	4. Develop the Risk Management Committee terms of reference.	Responsible Officer: Coordinator Governance & Risk Completed by: Coordinator Governance & Risk 100% completed

RISK MANAGEMENT FRAMEWORK

2.3 Risk

resources

Risk resources are the resources we assign to the ongoing management of risk.

3- Risk Resources	Risk resources have been allocated through <ul style="list-style-type: none"> Development of the Risk Management Framework. Nominating the Director Corporate Services to oversee compliance with the Risk Management Framework. Assigning the role of risk manager Oversight of the Risk Management Framework assigned to the Audit and Risk Committee. Development of key performance indicators so performance can be measured. 	
2019-21 Improvement Focus	In the next 12 months we will mature our risk resources by:	Implementation
	1. Determining the business requirements for an enterprise risk management system.	Responsible Officer: Director Corporate Services Completed by: Director Corporate Services 100% completed
	2. Senior Management Team need to determine resource priorities and consider whether project resources could be assigned to develop and mature the whole of organisation approach to risk management. <i>(REF: IA GPSC Risk Management Report 2019)</i>	Responsible Officer: Director Corporate Services Completed by: Director Corporate Services 100% completed
	3. Senior Management Team should determine the risk management capabilities required to deliver and support sound risk management practice. When these capabilities have been determined they need to be incorporated into employee performance plans and organisation training program. <i>(REF: IA GPSC Risk Management Report 2019)</i>	Responsible Officer: Director Corporate Services / Manager People and Culture Completed by: % completed
	4. Developing performance indicators so performance and conformance can be measured.	Responsible Officer: Director Corporate Services / Coordinator Governance & Risk Completed by: % completed

RISK MANAGEMENT FRAMEWORK

2.4 Risk process

Risk process is the process for Identifying, assessing, evaluating, treating and monitoring risk.

4- Risk Process	Council has a draft Strategic and Organisational risk profile.	
2019-21 Improvement Focus	In the next 12 months we will mature our risk process by:	Implementation
	1. Finalising the profiling of strategic and organisational risks. (REF: IA GPSC Risk Management Report 2019)	Responsible Officer: Director Corporate Services / Coordinator Governance & Risk Completed by: % completed
	2. Incorporate operational risk identification and assessment into their annual planning process in the next business plan cycle. (REF: IA GPSC Risk Management Report 2019)	Responsible Officer: Manager Community and Council Planning Completed by: % completed
	3. Communicating and consulting management process with stakeholders in the developed of the strategic and organisational risk profile. (REF: IA GPSC Risk Management Report 2019).	Responsible Officer: All Managers Completed by: % completed
	4. Reviewing current risk management process against the requirements of the ISO 31000:2018 and make changes as required. (REF: IA GPSC Risk Management Report 2019)	Responsible Officer: Coordinator Governance & Risk Completed by: Coordinator Governance & Risk 50% completed

RISK MANAGEMENT FRAMEWORK

2.5 Risk

assurance

Risk assurance is the process of establishing integrity and validity to bring confidence and support to decision-making.

5- Risk assurance	Council has an established Internal Audit Program	
2019 -21 Improvement Focus	In the next 12 months, we will mature our risk assurance by:	Implementation
	1. Determining how to apply the three lines of defence and how to apply it to managing, modifying or maintaining risks where responsibility has been assigned. (REF: IA GPSC Risk Management Report 2019).	Responsible Officer: Director Corporate Services / Coordinator Governance & Risk Completed by: % completed

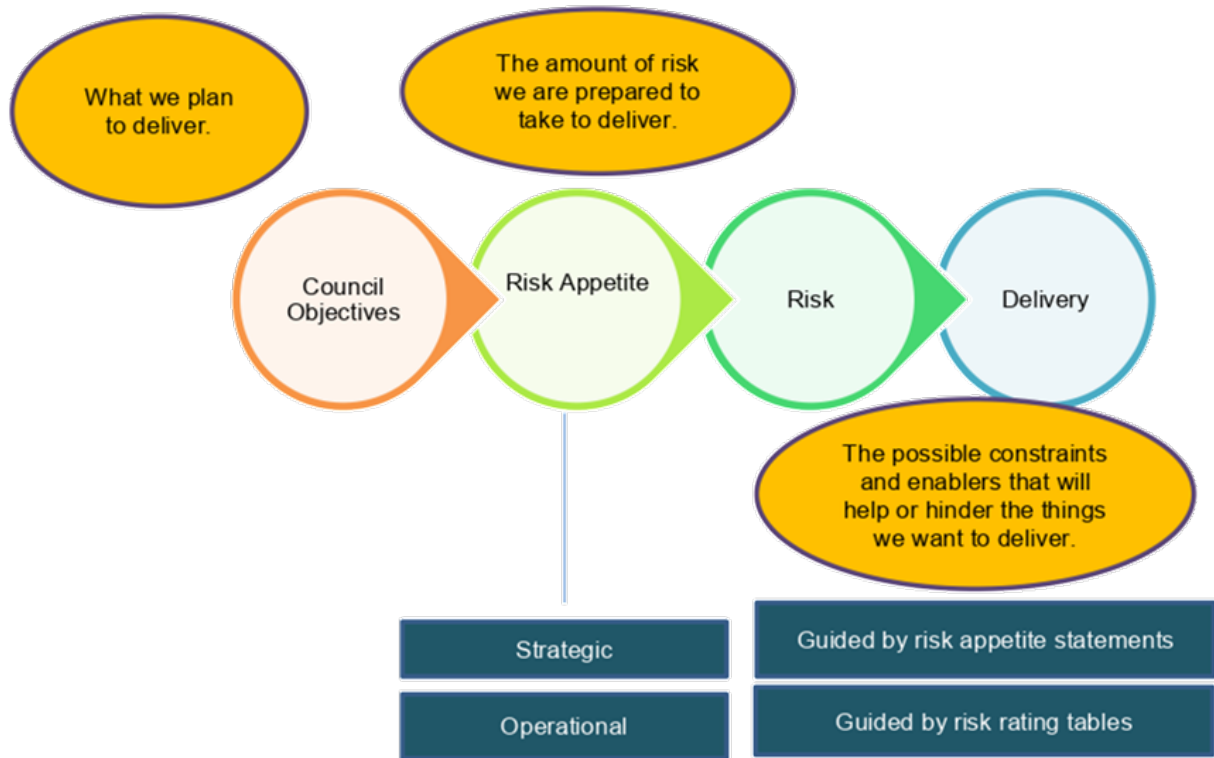
2.6 Interagency risk

Interagency risks are the risks which are shared and unmitigated by one agency and could increase risk to another agency.

6- Interagency significant and interagency risk	Council understands that working in partnership with agencies risk and opportunities need to be considered and are shared.	
2019 -21 Improvement Focus	In the next 12 months, we will mature or approach to managing interagency risk by:	Implementation
	2. Management need to take a lead role in coordinating with other organisations and agencies to evaluate and treat inter-organisational risks. (REF: IA GPSC Risk Management Report 2019)	Responsible Officer: All Managers Coordinator Governance & Risk Completed by: % completed

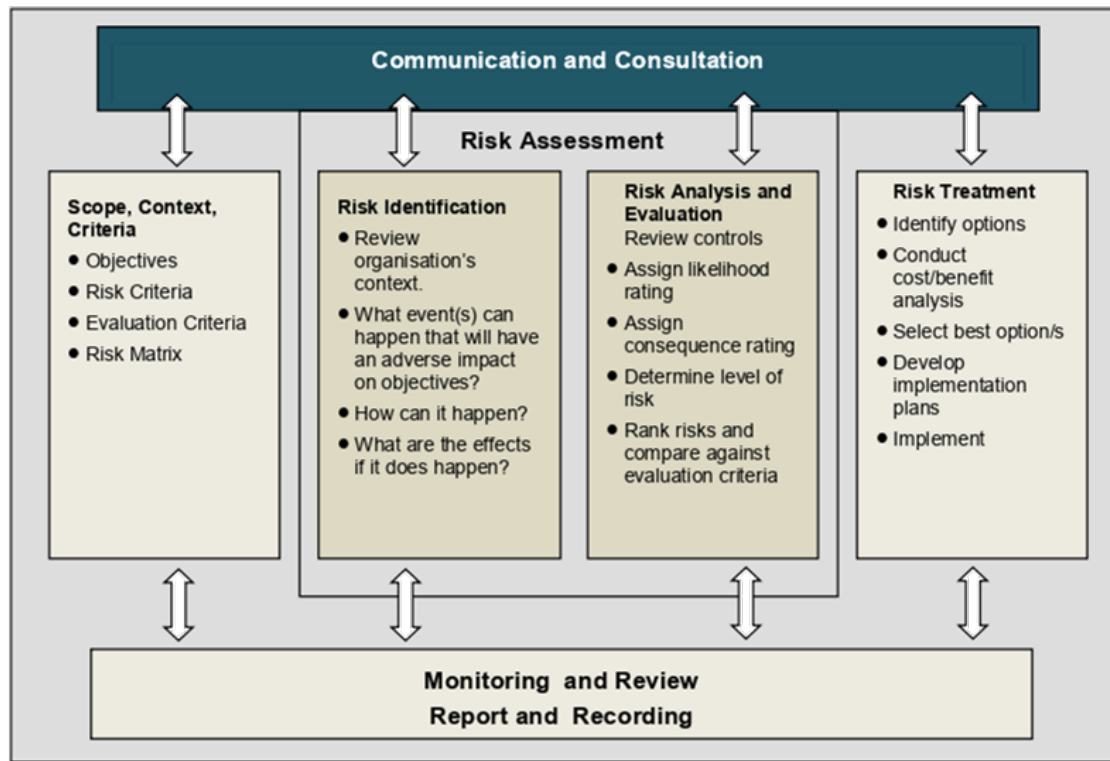
RISK MANAGEMENT FRAMEWORK

Section 3- Risk Management Process



RISK MANAGEMENT FRAMEWORK

Risk management process steps



3.1 Communication and consultation

When developing risk profiles, communication and consultation with stakeholders is essential to support sound risk management decisions, so that the context is appropriately established, the interests of stakeholders are understood and considered, critical risks are adequately identified, and different areas of expertise are brought together.

3.2 Establishing the context or Scope

Establishing the context defines the basic parameters within which risks will be managed by council and sets the scope for the rest of the risk Management process.

Key questions for this step:

- What is the strategy, program, process or activity that is being assessed?
- What are the critical success factors?
- What are the outcomes expected?
- What are the strengths, weaknesses, threats or opportunities?
- Who are the stakeholders?
- What are the significant factors in Council's internal and external environment?
- What problems were identified in similar previous assessments?

Environmental scanning (ES) tools are varied; some examples are provided below.

ES - Political, Economic, Societal, Technological, Environmental and Legal (PESTEL) analysis

A PESTEL requires consideration of several factors.

- **Political** influences, which may prevent your organisation from achieving its objectives.
- **Economic** influences, which may prevent your organisation from achieving its objectives.
- **Socio-cultural** influences, which may prevent your organisation from achieving its objectives.
- **Technical and technological** influences, which may prevent your organisation from achieving its objectives.
- **Environmental** influences, which may prevent your organisation from achieving its objectives.
- **Legal** influences, which may prevent your organisation from achieving its objectives.



ES- Constraints and Enablers Analysis

Prior to identifying risk, the service delivery objectives should be stated and clear. To deliver the objectives, in the next 12 months identify both Constraints and Enablers.

ES- Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis

Internal environment

Strengths: Identify what your work area does best	Activities to better leverage strengths

Weaknesses: Identify where there is room for improvement	Activities to address weaknesses

External environment

Opportunities: Identify existing or emerging opportunities your work are could tap into	Activities to capitalise on opportunities

Threats: What challenges may hinder your work areas ability to achieve its goals?	Activities to mitigate threats

3.3 Risk identification

As outlined in the AS/NZS ISO 31000:2018, a risk is defined as the **effect of uncertainty** on objectives.

Key questions for this step:

- When, where, why, how are the risks likely to occur and who might be involved?
- What is the source (or cause) of each risk?

Sources of risk

Risk sources are elements that, alone or in combination, have the intrinsic potential to give rise to risk.

There are multiple sources of risk. The tables below identify several risk sources relevant to council.

Sources of Risk by Category			
1. Governance & Legal			
• Planning, programming & service delivery	• Assurance	• Board & committee effectiveness	• Delegations & authorities
• Fraud control	• Policy management	• Project management	• Legislation & regulation
• Complaints management	• External reporting	• Service level agreements	• Internal controls
• Commercial management	• Partnerships	• Changes to legislation	• Industrial relations

• Efficient & effective administration	• Strategy & planning process	• Policy Framework	• Service level agreements
2. Economic & Financial			
• Financial accounting & reporting	• Budgeting & planning allocation	• Expenditure management	• Asset management
• Financial management	• Funding arrangements	• Procurement	•
• Change of government (state or federal)	• Contract management	•	•
3. People & Safety			
• Employee engagement	• Workforce management	• Employee relations	• Employee health, safety & wellbeing
• Succession risk management	• Training & recruitment	• Qualifications as required by government policy	• Government regulations and employment law
• People management	• Leadership	• Change management	• Restructure
• Learning & development	• Organisational capability	• Crowded places	• Human rights
4. Corporate Management			
• Information management	• Data, information & knowledge	• Research & ethics	• Internal communications
• Emergency management & response	• Frameworks	• Business continuity management	• Security
• External communication	• Business systems	• Systems integrity	
• Corporate policy	• Operational agility	• Streamlined processes	
• Process, products & services	• Supplier relationships & partnerships	• Information systems	
5. Service Delivery & Stakeholder Management			
• Stakeholder confidence	• Government relationship	• Community engagement	• Businesses
• Politicians	• Community organisations	• Committees	• Regulators
• Suppliers	• Corporations	• Traditional owners	• Contractors
• Casuals	• Partnerships	• Reputation	• Advisory groups
• Social networking	• Stakeholder management	• Suppliers	•

Risk identification Template

Risk Source by Category	Risk Description
1. Governance & Legal 2. Economic & Financial 3. People & Safety 4. Corporate Management 5. Service Delivery & Stakeholder Management	<ul style="list-style-type: none"> • The event...(something may happen) • Caused by... (threat or opportunity) • Resulting in... (impact to council)

3.4 Risk Analysis

The main objective of risk analysis is to separate the minor acceptable risks from the major ones, and to provide data to assist in the evaluation and treatment of risk.

When determining the likelihood or consequence of a risk occurring, it is important to take into consideration existing controls.

The following table provides a useful methodology for assessing the effectiveness of existing controls:

Effective	The control is well designed and addresses the risk factors. Nothing more to be done except review and monitor the existing controls. Accountability for the control is clearly assigned and well managed.
Partially effective	The control design address part of the risk factors and will mitigate components of the risk. The control is not receiving an adequate level of management’s attention, compromising its effectiveness. Accountability for the controls is not clearly assigned.
Ineffective	The control is ineffective in modifying or managing the risk and needs to be re-designed. Management are not confident that the control can effectively reduce risk causes.

Control owner

A control owner is a person nominated with the responsibility for administering a control.

Consequence and likelihood rating

Risk levels are determined by combining the estimates of effect (consequence rating) and cause (likelihood rating). Golden Plains has an endorsed set of consequence and likelihood measures. Go to [\(insert link\)](#).

3.5 Risk Treatment

All risks require treatment regardless of risk level and must be monitored to ensure that existing controls are effective in mitigating negative outcomes.

When determining the preferred treatment option, consideration should be given to the cost of the treatment as compared to the likely risk reduction that will result. On selecting the preferred treatment option, the cost of any action should be incorporated into the budget planning processes and a responsible person identified for delivery of the action.

Risk treatment options	
Accept	<p>Accepting the consequences of the risk occurring. Risks are accepted or retained for several reasons, including:</p> <ul style="list-style-type: none"> a) Risk treatment is not cost effective b) The risk is at or below the acceptable level for that type of risk c) The risk is outside the control of the council d) The risk exceeds the acceptable level for that type of risk but nothing more can be done to reduce the risk (if this is the case it needs to be escalated and well documented). <p>Where a decision to accept a risk is taken, the risk still needs to be recorded in the Risk Register along with the reasons for the decision not to treat the risk.</p>
Transfer-share	Risk transfer/share involves transferring part of the risk (either management of the activity/service or consequences) to another party. Sharing risk does not mean that the responsibility/accountability for the risk has been transferred.
Avoid the risk	Avoid by not proceeding with the policy, activity or project or choose an alternative means of action that achieves the same outcome. Nb. Risk avoidance may cause other risks to become significant.
Change the likelihood	Undertake actions aimed at reducing the probability of the risk occurring. For example, the likelihood of occurrence might be reduced by such things as more research, increased controls, revised organisational arrangements, improved project management, increased monitoring, improved training or better planning.
Change the consequence	Undertake actions aimed at reducing the impact of the risk by implementing controls such as contingency planning, disaster recovery and business continuity plans, effective contractual arrangements, stakeholder consultation etc.
Share or transfer the risk	Shift all or part of the responsibility for the risk to another party. This might be done by insurance, contract, legislation or administrative processes.
Retain the risk	Tolerate and manage the risk where the risk cannot be avoided, transferred or reduced, or where the cost of doing so cannot be justified. If appropriate, the means for addressing losses should be identified.

Risk cannot be eliminated. Instead risk is managed to a level that is acceptable. It is important that any remaining risk is clearly identified and that there is a clear understanding as to why the risk was tolerated.

Risk treatment options to either change the likelihood or consequence of the risk will require a treatment plan to be prepared.

Risk treatment plan should include a description of the proposed action, resource and budgeting allocation requirements, the timing for the completion of treatment actions, an allocation of responsibilities, reviewing and monitoring arrangements, associated performance measures, when the treatment is completed and % of actions complete.

3.6 Continually Monitor and Review

Monitoring and review is an essential and iterative step in the process for managing risk. Few risks remain static and it is necessary to continually monitor risks and the effectiveness of treatment plans and controls that have been implemented and to adjust as necessary.

Activities and processes change, as can the political, social and legal environment. Accordingly, it is necessary to re-examine the risk context to ensure the way in which risks are managed remain valid.

The process of review and monitoring ensures that risk management strategies continue to be a vital part of Council's processes.

The analysing and monitoring of regular performance information can assist with identifying likely trends, trouble spots and other changes, which have arisen.

Documentation

Although documentation is an essential element of the risk management process, it is important to remember that the primary aim of risk management is to understand and identify uncertainty and mitigate its effect on organisational objectives.

Risk registers are a tool for communicating risk to others as a record of what risk identification and assessment has occurred at a given time.

Attachment 1- Terms of Reference

Risk Management Committee

Terms of Reference

1. Introduction

- 1.1 The terms of reference have been developed to support the establishment and management of the Risk Management Committee (the Committee) with clarity of role and purpose.

2. Role of the Risk Management Committee

- 2.1 Council's Risk Management Committee is the key management governance committee for risk management across the organisation.
- 2.2 The Committee has overall responsibility for the Risk Management Framework and has a role to champion and comply with the Framework.

3. Purpose

- 3.1 The purpose of the Committee is to ensure regular risk monitoring and review activities occur quarterly meetings that will facilitate timely identification and assessment of emerging, organisational, operational and program risks.

4. Risk Management Structure

- 4.1 The Director Corporate Services is the Chair the Committee, providing guidance, support and direction to the Committee and responsible for ensuring that appropriate agendas, minutes, outputs, governance and framework are being utilised to support the effective and efficient operation of the Committee.
- 4.2 The Coordinator Governance and Risk will provide Secretariat support to the Committee and will coordinate attendance, agendas, minutes and record keeping.
- 4.3 The Senior Management Team (SMT) and Strategic Risk Owners are voting members of the Committee. The Coordinator OHS is a non-voting member of the Committee.
- 4.4 Attendance is unable to be delegated.

5. Meeting Procedures


- 5.1 The Committee will meet every three months. All members of the Committee are expected to attend each meeting in person or via teleconference.
- 5.2 The Secretariat will produce the Committee meeting agendas and provide Committee members at least one week in advance of the meeting.
- 5.3 Reports and papers for presentation will be distributed at least 2 business days prior to the meeting.
- 5.4 The Secretariat will record the Minutes. Draft minutes of each meeting will be reviewed by the Committee Chair and circulated to all members as soon as practicable after the meeting. The minutes of previous meeting will be confirmed at the next meeting.


6. Review of Committee

- 6.1 The Committee will review and re-adopt the terms of reference on an annual basis.
- 6.2 Key review focus areas will include:
- Consideration and understanding of the corporate risk strategy and risk priorities
 - Communication of lessons learnt
 - Regular assurance about the management of risk.
 - Communication with external stakeholders, interagency risk and interdependencies.

7. Risk Reporting, Communication and Compliance

- 7.1 Risk Reporting is a key form of communication and should be included in the following:
- Risk Governance and Reporting framework (as per the Framework) incorporates an escalation process, where critical and high risks are identified.
 - Importantly monitoring activities need to extend beyond the captured risks to include emerging risks. These need to be forward looking and capture external influences as well as internal events. The monitoring activities take into consideration any structural or operating changes that may affect existing risks.
 - Minutes and actions from the Committee meetings are to be reviewed holistically to assist in determining if the Committee is operating effectively and that the key elements of this Risk Management Terms of Reference are upheld.
 - The Director Corporate Services will report to the SMT and the Audit & Risk Committee. Additional reporting will be provided to Council as necessary.

 <p>GOLDEN PLAINS SHIRE</p>			
<p>Risk Appetite Statements</p>			
<p>RA-1-Promoting healthy and connected communities 1A-We have a moderate appetite for innovative customer centric plans, strategies, initiatives and activities that deliver services for the changing needs of our community. 1B-We have low appetite to activities which may compromise or diminish health and safety of our people, employees and community.</p>	<p>RA-2-Enhancing local economies 2A-We have a moderate appetite for innovation and the development of new ideas to increase our local economy and deliver long term sustainable trading precincts. 2B-We have a low appetite for activities that may decrease business confidence or that may lead to a reduction in our community use of local trading precincts.</p>	<p>RA-3- Managing the natural and built environment 3A-We have a moderate appetite for innovation that provides sustainable and renewable resources to the community.</p>	<p>RA-4-Delivering good governance and leadership 4A-We have a low appetite for any breaches in legislation, professional standards, ethics, fraud and corruption. 4B-We have a low appetite for things which would impact negatively on its reputation, brand or ethical standing. 4C-We have a moderate appetite for any risks that will impact on the achievement of the financial targets.</p>

 Strategic & Organisational Risks				RA-1-Promoting healthy and connected communities 1A-We have a moderate appetite for innovative customer centric plans, strategies, initiatives and activities that deliver services for the changing needs of our community. 1B-We have low appetite to activities which may compromise or diminish health and safety of our people, employees and community.	RA-2-Enhancing local economies 2A-We have a moderate appetite for innovation and the development of new ideas to increase our local economy and deliver long term sustainable trading precincts. 2B-We have a low appetite for activities that may decrease business confidence or that may lead to a reduction in our community use of local trading precincts.	RA-3- Managing the natural and built environment 3A-We have a moderate appetite for innovation that provides sustainable and renewable resources to the community.	RA-4-Delivering good governance and leadership 4A-We have a low appetite for any breaches in legislation, professional standards, ethics, fraud and corruption. 4B-We have a low appetite for things which would impact negatively on its reputation, brand or ethical standing. 4C-We have a moderate appetite for any risks that will impact on the achievement of the financial targets.
Number	Risk Source	Risk Source Descriptor	Risk Causes	Risk Opportunities	Council Plan Objectives		
SR-1.1	Financial Sustainability	Inability to meet the future demands of the of community.	1-Political nature of council teams. 2-Poor financial practices. 3-Reduced commonwealth funding. 4-Lack of bipartisan support from political parties. 5-Ineffective Corporate and Councilor Governance. 6-Not living within means in a rate capping environment.	1-Identifying new revenue streams 2-Optimise resource sharing 3-Population growth 4-Cost effectiveness and better service delivery.	•Promoting health and connected communities •Enhancing local economies •Managing natural and built environments		
SR-1.2	Safe Communities	The business activities or infrastructure leads to injury or illness to employees, staff, volunteers, contractors or the public	1-Process failure in controls 2-Poor practice 3-Poor infrastructure design 4-ineffectual processes and practice 5-Inadequate policy and practice 6-Lack of social cohesion and support	1-Leading design and planning practices, future proof our infrastructure 2-Use technology to better connect communities	•Promoting health and connected communities •Enhancing local economies •Managing natural and built environments		
SR-1.3	Fraud and Corruption Control	Fraud occurs and goes undetected for sustained periods leading to reputational damage	1-Illegal access to data. 2-Training ineffective. 3-Poor information systems. 4-Weak internal controls. 5-Control override.	1-Promote our integrity framework and live our values.	•Promoting health and connected communities •Enhancing local economies •Managing natural and built environments		
SR-1.4	Built Infrastructure	Assets may not be effectively managed over the asset lifecycle	1-Inadequate assessment management and systems. 2-Asset renewal gap not managed. 3-Unable to keep pace with community expectations and demand for infrastructure.	1-Effective asset management.	•Promoting health and connected communities •Enhancing local economies •Managing natural and built environment •Delivering good governance and leadership		
SR-1.5	Natural Assets	Natural assets are not improved	1-Natural assets are not valued.	1-Improving natural asset integration to nominated asset types (i.e. trees, open space, green fields or bushland)	•Promoting health and connected communities •Enhancing local economies •Managing natural and built environments		
SR-1.6	Community Services – Planning for and Managing Growth	Community services do not meet future community expectations and needs	1-Capability, capacity and resourcing to meet demands. 2-Rate of growth. 3-Delayed infrastructure investment. 4-Project plans designed to address health and wellbeing initiatives are not based on accurate data. 5-Poor information systems. 6-Implementation of services not meeting standards	1-Through design and planning practices, future proof our infrastructure. 2-Use technology to better connect communities	•Promoting health and connected communities •Enhancing local economies •Managing natural and built environments		

SR-1.7	Climate Change (Adaptation)	Ineffectual response to climate change	1-Inadequate planning plan for the impacts of severe weather events and ongoing climate change to mitigate impacts on community and council operations. 2-Lack of leadership. 3-Delays in planning scheme amendments. 4-No future proofing.	1-Comprehensive council adaptation and mitigation plan and actions	•Promoting health and connected communities •Enhancing local economies •Managing natural and built environments •Delivering good governance and leadership
SR-1.8	Stakeholder Management	Ineffective engagement with partners, visitors, communities, volunteers and other bodies, resulting in lost opportunities to connect with community.	1-Failure to develop and maintain strategic and operational partnerships with stakeholders and other levels of Government.	1-Use technology to better connect communities 2-Optimise resource sharing	•Promoting health and connected communities •Enhancing local economies. Managing natural and built environments
ORG-1.9	Legislative Compliance	Licence to operate is removed due to non-compliance with legislative obligations.	1-Increased legislative compliance and reporting burden 2-Systems are not enabling compliance 3-Lack of knowledge 4-The systems and processes are ineffectual in enabling legislative compliance.	1-Link compliance to risk and controls to determine and manage focus for improvement •Compliance culture	•Delivering good governance and leadership
ORG-1.10	Workforce Management	Workforce demographic, culture and capability may not support or enable a high performing, inclusive and or agile organisation.	1-Lack of investment in the appropriate behaviour to onboard people 2-Limited knowledge and understanding of employee skill and interchangeability 3-Poor adoption of technological change and impact on the business 4-Not seen as an employer of choice 5-Rapidly changing employment environment 6-Geographic location 7-Market competition	1-Through employment there is an opportunity to attract young professionals to the region 2-Skills mapping.	•Delivering good governance and leadership
ORG-1.11	Disruption Management	Unable to be effectively managing and responding to multiple disruptions, preventing the delivery of services to the community or a sustained period	•Cyber security attacks •Failure of or damage to IT equipment •Not adapting to change	1-Future Proof organisation 2-Changing the service delivery model 3-Disaster Recovery Plan 4-Business Continuity Plan 5-Emergency response	•Delivering good governance and leadership
ORG-1.12	Information Management	Unauthorised release of Council confidential information	1-Unauthorised release of confidential or private information. 2-Loss of tacit knowledge 3-Inappropriate or illegal access to data caused by failure to monitor 4-Privileged access and modifications within key databases 5-Failure to monitor access to Cloud technology may lead to breaches of privacy and other legislation 6-Breach of copyright due to inadequate social media processes.	1-Data collected is secure supports business decisions.	•Delivering good governance and leadership
ORG-1.13	Staff Safety	Serious death or injury to an employee, volunteer or contractor.	1-Lack of leadership capability/accountability 2-Staff & contractor behaviour, accepting safety, risks, complacency, rushing state to error pattern, individual risk appetite. 3-ineffective safety management systems.	1-Safety first enables a high performing workforce.	•Delivering good governance and leadership

Risk Assessment Matrix		1-Insignificant	2-Minor	3-Moderate	4-Major	5-Severe	
Risk Actions		An event where council can achieve its objective via normal practice.	An event that affects the ability for council to achieve its objective but can be managed through normal practice.	An event that affects the ability for council to achieve its objective and requires intervention from internal management.	An event that affects the ability for council to achieve its objective and may require third party intervention.	An event that prevents council from achieving its objective regardless of the level of intervention.	
RISK CONSEQUENCE CATEGORIES Brand and Reputation Immediate action is required & must be reported to the Executive. Detailed treatment planning is required with the allocation of implementation responsibilities & resources as well as regular monitoring of progress. If possible, arrange an alternative, less risky means of action or decision to proceed with the activity. The Risk Management Committee must accept the risk if it proceeds. Requires a report to the CMT.	Brand and Reputation •Minor and/or local damage to brand, image or reputation. •No or minimal one-off negative media exposure following media enquiry. •Established customer or community complaint.	•Some short term negative media coverage. •Concern raised by stakeholders. •Obligated to negative attention in traditional news channels following media enquiry response. •Social media enquiries requiring business related response. •Limited number of stakeholders raising enquiries that are contained in time.	•Significant but short term damage to brand and/or reputation. •Stakeholder and/or community concern. •Extensive local negative media coverage. •Theoretical media enquiries that council did not know about. •Social media postings that generating mis-information.	•Substantial damage to brand / image / reputation nationally / internationally. •Long term national or local negative media coverage. •Negative events on significant enough to engage external communications experts. •Disturbance included in the response. •The Community shows strong doubts about council's ability to deliver its services. •Key stakeholders.	•Significant damage to or loss of brand / image reputation. •Widespread / persistent / sustained negative media attention. •Business failure due to perceived incompletion or loss of faith in the organisation. •Widespread enquiry. •The Community has lost all confidence in the council for delivering its services.		
	Environment •Negligible effect on the natural and/or built environment and/or heritage sites and/or artefacts. •Environmental recovery is negligible and/or under 1 year. •Contained locally within a single site and/or area.	•Limited effect on the natural and/or built environment and/or heritage sites and/or artefacts. •Environmental recovery on a small scale and/or over a period 1-10 years. •Impacts on a municipality or multiple localities.	•The effect on the natural and/or built environment and/or environment suffers harm for 10-20 years. •The impact on heritage sites and/or artefacts. •Environmental recovery on a small scale and/or over a period 10-20 years. •Impacts on a municipality or multiple localities.	•Major effect on the natural and/or built environment and/or environment suffers harm for 10-20 years. •Major impact on heritage sites and artefacts. •Environmental recovery on a large scale and/or over a period of 10-20 years.	•Very serious effect on the natural and/or built environment and/or environment suffers long term harm (20+ years). •Very serious impact on heritage sites and artefacts. •Environmental recovery on a very large scale and/or over a long period (20+ years).		
	Finance Detailed treatment planning and action is required at Director level to determine how to reduce the risk. This risk needs to be reported to the Risk Management Committee.	•Impact to the delivery of the objectives, however can be achieved through normal practice. •Impact to budget up to 5%.	•Impact to delivery of objectives but can be managed via normal practice. •Impact to budget between 5% and 10%.	•An event that affects the ability for Golden Plains Shire Council to achieve its objectives and requires intervention from internal management. •Impact to budget between 10% and 20%.	•An event that affects the ability for council to achieve its objectives. May require third party intervention. •An impact to budget between 20% and 30%.	•An event that council from achieving its objectives regardless of the level of intervention. •Impact to budget over 30%.	
	People and Culture Lack of consistency in some practices by employees across the organisation.	•Individual action that impacts the operations of a non-critical team. •Some employee turnover with minimal loss of skills, knowledge and expertise.	•Individual action that impacts the core areas of a business unit or critical team. •Some turnover of key employees and loss of key skills, knowledge and expertise.	•Substantial action that impacts the core areas of a business unit or critical team. •Significant turnover of key employees and loss of key skills, knowledge and expertise.	•Major morale issues and high absenteeism. •Individual action that impacts the operations of a business group. •Many negotiations of key employees and loss of key skills, knowledge and expertise.	•Department wide morale issues and mass absenteeism. •Resignation of large numbers of key management level employees with key skills, knowledge and expertise.	
	Program Identify management responsibility & monitor/review treatment actions if planned.	•<5% reduction of capacity to deliver or progress program to agreed budget, schedule and quality.	•5-10% of capacity to deliver or progress program to agreed budget, schedule and quality.	•10-20% of capacity to deliver or progress program to agreed budget, schedule and quality.	•20-30% of capacity to deliver or progress program to agreed budget, schedule and quality.	•>30% of capacity to deliver or progress program to agreed budget, schedule and quality.	
	Regulatory and Compliance Manage through existing processes & procedures.	•Non-compliance with legislation has been formally identified, resulting in formal acknowledgment and process review. •Council receives a judgement where the total cost of legal action, fines and remediation of the issue is less than \$1k.	•Non-compliance with legislation or breach of duty of care has been identified and internal corrective action is required. •Council receives a judgement where the total cost of legal action, fines and remediation of the issue exceeds \$1k and \$5k.	•Non-compliance with legislation or breach of duty of care resulting in external investigation. •An employee receives a fine from a regulator. •A judgement is issued to council where the total cost of legal action, fines and remediation of the issue is >\$5k.	•Total cost of legal action, fines and remediation of the issue is between \$5k and \$20k.	•Non-compliance with legislation or breach of duty of care resulting in external investigation, or public enquiry, or prosecution. •Government intervention is required. •Council receives a judgement where the total cost of legal action, fines and remediation of the issue is >\$20k.	
	Safety and Wellbeing Time Cost Scope	•Temporary, minor health impact on member of the public / staff •First aid required in the event of risk realisation. •Impact to schedule < 5 days •Negligible additional costs that can be absorbed in the project budget.	•Moderate injury / health impact on member of the public / staff. •Medical attention required in the event of risk realisation. •Impact to schedule > 5 days but < 10 days •Additional costs requiring re-organisation and/or reallocation of resources.	•Serious health impact on member of the community or staff. •Hospitalisation required in the event of risk realisation. •Impact to schedule > 10 days but < 6 months •Additional costs requiring submission for supplementary funding.	•Loss of life in the event of risk realisation. •Serious health impact on multiple members of public or staff. •Impact to schedule > 6 months < 3 months •Significant additional costs.	•Multiple loss of life in the event of risk realisation. •Life wide systems in the event of risk realisation. •Impact to schedule > 3 months or where all objectives not achievable. •Budget expended without achieving any deliverables.	
5	Almost Certain	The event is expected to occur in most circumstances, say many times a month.	M (5)	H (10)	H (10)	S (20)	S (20)
4	Likely	The event will probably occur in most circumstances, say once a year.	M (4)	M (8)	H (12)	H (16)	S (20)
3	Possible	The event should occur at some time, say once in three years.	L (3)	M (6)	M (9)	H (12)	H (15)
2	Unlikely	The event is expected to occur in most circumstances, say once in 10 years.	L (2)	L (4)	M (6)	M (8)	H (10)
1	Rare	The event may occur in exceptional circumstances.	L (1)	L (2)	L (3)	L (4)	H (5)