



RISK MANAGEMENT STRATEGY

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1.0 BACKGROUND

Risk is inherent in all aspects of an organisation’s activities. AS/NZS ISO31000:2009 - Risk Management Principles and Guidelines (“the Standard”) defines risk as “the effect of uncertainty on objectives”.

Risk management refers to the coordinated activities to direct and control an organisation with regard to risk. George Town Council’s Risk Management Strategy is the set of components that

articulate the organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

Risk management involves establishing a customised Risk Management Strategy, a risk aware culture, and applying logical and systematic risk management processes to all stages of the life cycle of any decision, activity, function or operation that includes the potential for risk.

2.0 INTRODUCTION

Risk Management is critical to George Town Council's ability to achieve the key result areas contained in its Strategic Plan.

By fostering a vibrant risk management culture that encourages Workers at all levels to systematically apply all the principals and procedures outlined in the Strategy, George Town Council seeks to minimise resource waste and ensure that all Council decisions, events, activities and projects are undertaken with consideration of risk to the organisation, its people and its community.

The success of the organisation depends upon factors including:

- The health and well being of our people;
- Due care towards our customers and the community;
- The protection of our assets; and
- Incorporating legislative requirements into our work processes.

3.0 STATEMENT OF COMMITMENT

George Town Council will ensure that its Workers and the community are reasonably protected against loss through the application of sound management principles and practices to eliminate or minimise exposure to risks and adverse impact on corporate objectives. Risk management:

- Creates and protects value;
- Is an integral part of all organisational processes;
- Is part of decision making;
- Explicitly addresses uncertainty;
- Is systematic, structured and timely;
- Is based on the best available information;
- Is tailored;
- Takes human and cultural considerations into account;
- Is transparent and inclusive;
- Is dynamic, iterative and responsive to change; and
- Facilitates continual improvement.

George Town Council is committed to managing its risks by identifying, analysing, evaluating, treating, monitoring and communicating all risks that impact on Council's ability to achieve the vision and strategic objectives outlined in Council's Planning Framework.

The Risk Management Strategy demonstrates George Town Council's commitment to risk management, to be embraced by all Workers, Mayor and Councillors and Committees engaged in Council business and defining the responsibilities of those involved in the process of managing risk.

Risk Management is vital to the successful implementation of Council's Strategic Plan and supports the achievement of Council's vision for the future development of the community that we serve.

George Town Council is committed to implementing a consistent and structured organisation-wide approach to risk management in order to achieve an appropriate balance between realising opportunities for gains and minimising losses. Council is committed to managing risk at strategic and operational levels to ensure that it makes informed decisions with respect to all activities by appropriately considering both risks and opportunities as outlined in the Risk Management Policy (Appendix A).

George Town Council acknowledges that the adoption of a strategic and formal approach to risk management will provide numerous benefits. These benefits include but are not limited to:

- Good corporate governance;
- Compliance with relevant legislation;
- Protecting people's safety;
- Proactive rather than reactive management;
- Rigorous decision making and planning; the right decisions for our people and our community;
- Improved identification of opportunities and threats;
- More effective allocation and use of resources;
- Improving Workers confidence;
- Maintaining a positive public image;
- More effective asset management;
- Limiting exposure to litigation;
- A clear understanding by all stakeholders of their roles, responsibilities and accountabilities for managing risk; and
- The development of a more risk aware organisational culture through enhanced communication, measurement and reporting of risk.

Risk management is essential for the successful implementation of Council's Strategic Plan and supports the achievement of Council's vision for the future and development of the community through other strategic goals, objectives and actions.

The Strategy builds on the objectives of George Town Council's Risk Management Policy and outlines the methodology adopted to identify, assess, manage and report on all risks in the organisation to ensure all parties understand how risk is managed. The Strategy integrates the process for managing risk into the organisation's various activities.

The Strategy supports George Town Councils' Vision, Mission and Values:

Our Vision

George Town... A lifestyle of choice, sustainable growth, strong, vibrant and connected communities, pristine environment, heritage and pride.

Our Purpose

We will enhance our natural resources and heritage to provide lifestyle choices, preserve our environment and foster economic prosperity for the benefit of current and future generations

Values and Behaviours

We commit to lead, work with, support, listen and respond to our community

Leadership, Quality, Community, Accountability, Responsiveness, Reputation and Facilitation

4.0 OBJECTIVES

The aim of the Risk Management Strategy is not to eliminate risk, rather to manage risk on an ongoing basis in a consistent way across the organisation, whilst maximising opportunities and minimising adversity. It provides a system for the setting of priorities when there are competing demands on limited financial and employee resources. Furthermore, the Strategy supports the transparency of risk information to all stakeholders and interested parties.

Risks emerge as circumstances change – risk is dynamic and as such the process of risk management is continual. Risk management will form part of how we do our work and deliver services to our community on a day to day basis. Responsible risk management activity must be a part of the normal management practice and actions of Workers.

The Council will utilise the framework provided by the Risk Management Standard ISO 31000 and its successors, to develop and implement its approach to:

- Risk identification
- Risk analysis
- Risk evaluation
- Risk treatment
- Monitoring and review
- Communication and consultation

Risk management will be incorporated into the strategic, annual and operational planning processes at all levels within George Town Council.

Key objectives of the Strategy include providing Council with the tools required to practice effective risk management. The Strategy is designed to ensure:

- Council complies with relevant legislation;
- Protect Council's reputation;

- Sound risk management practices and procedures are fully integrated into Council's strategic and operational planning processes;
- Threats and opportunities associated with all documented key result areas are identified, evaluated, treated, monitored and communicated in accordance with the process outlined in AS/NZS ISO 31000:2009 Risk Management;
- Risk Management approach is effectively supported by consultation and communication at all levels;
- Remedial actions identified as a result of incident investigations are documented, implemented and communicated effectively to prevent recurrence;
- Appropriate risk treatment strategies will be included in organisational procedures and processes needed to assist Council in achieving its' business outcomes. These strategies will be in accordance with relevant standards, codes of practice and appropriate legislative guidelines;
- All Council Workers with specific risk management responsibilities are aware of and effectively exercise those responsibilities. Responsibilities are documented in Position Descriptions;
- All Council stakeholders i.e. Workers, Mayor and Councillors, Committees, Lease Holders and the public cooperate to create a safe environment and preserve assets for the future;
- Adequate information, training and supervision are provided to all Workers, Mayor and Councillors, Lease Holders and Committees; and
- The Risk Management Strategy and associated processes and tools are documented, recorded and reviewed on a regular basis to ensure ongoing suitability to the organisation's needs.

5.0 SCOPE and RISK APPETITE

A risk event can result from an occurrence or change of a particular set of circumstances. The effect is a deviation from the expected and can be positive and/or negative. Risk sources within the context of George Town Council's operations include:

1. Work Health and Safety
2. Infrastructure and Assets
3. Business Systems and Continuity
4. Legal and Compliance
5. Fraud
6. Our people (employees, contractors, volunteers)
7. Environment (physical and natural)
8. Financial and Economic Management
9. Reputation
10. Strategy and Governance

The diagram below (Figure 1) captures the relationships between risk management principles, the Strategy and process.

The appropriate level of risk appetite will depend on the nature of the work undertaken and the objectives pursued. For example, where public safety is critical (e.g. operating a nuclear power station) appetite will tend to be low, while for an innovative project (e.g. early development on an innovative computer program) it may be very high, with the acceptance of

short term failure that could pave the way to longer term success. Below are examples of broad approaches to setting risk appetite that a business may adopt to ensure a response to risk that is proportionate given their business objectives.

- **Averse** - Avoidance of risk and uncertainty is a key objective.
- **Minimal** - Preference for ultra-safe options that are low risk and only have a potential for limited reward.
- **Cautious** - Preference for safe options that have a low degree of risk and may only have limited potential for reward.
- **Open** - Willing to consider all potential options and choose the one most likely to result in successful delivery, while also providing an acceptable level of reward and value for money.
- **Hungry** - Eager to be innovative and to choose options offering potentially higher business rewards, despite greater inherent risk.

The appropriate approach may vary across an organisation, with different parts of the business adopting an appetite that reflects their specific role, with an overarching risk appetite framework to ensure consistency.

By defining its risk appetite, an organisation can arrive at an appropriate balance between uncontrolled innovation and excessive caution. It can guide people on the level of risk permitted and encourage consistency of approach across an organisation.

A defined acceptable level of risk also means that resources are not spent on further reducing risks that are already at an acceptable level.

Figure 1 - The relationships between the risk management principles, strategy and process

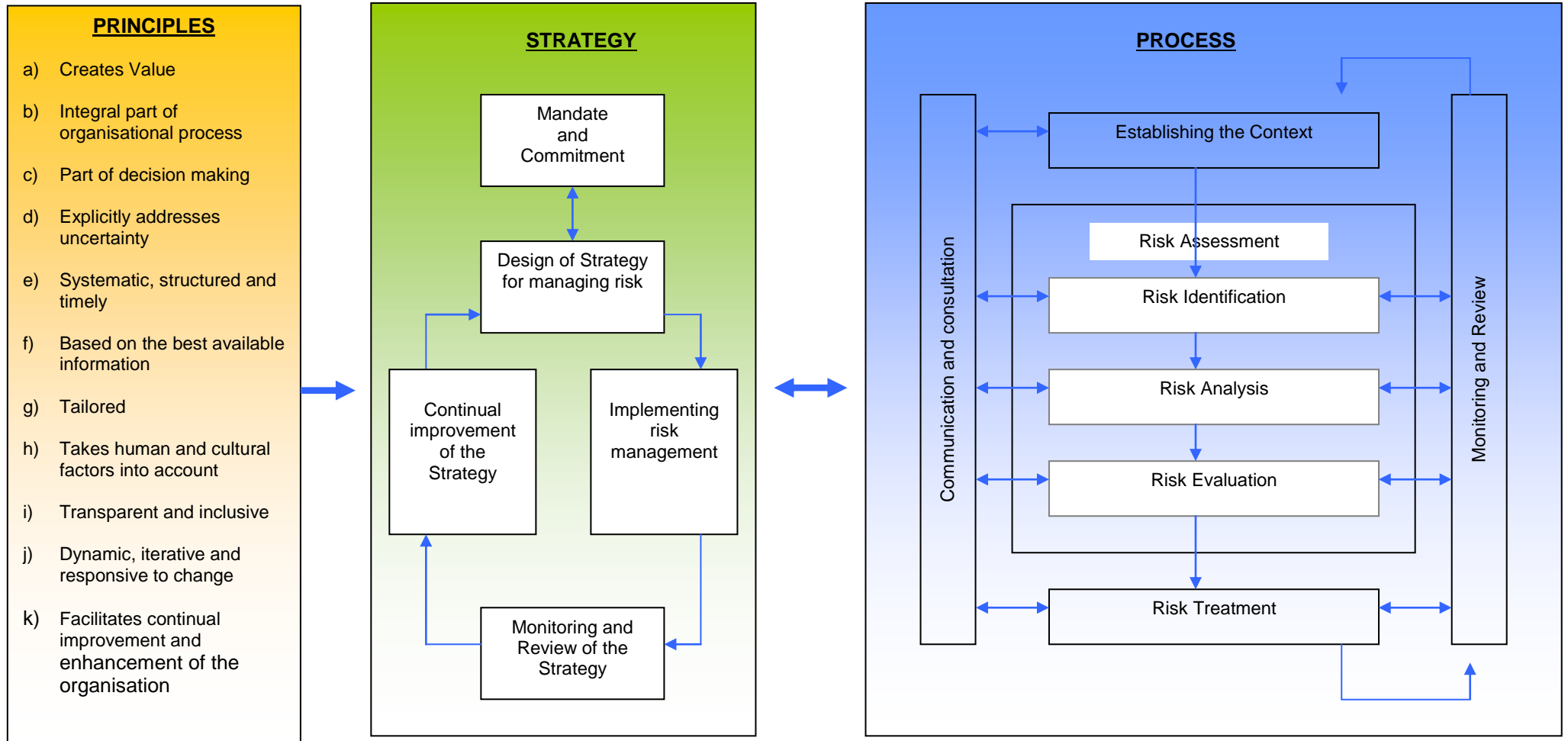


Figure 1- Source: AS/NZS ISO31000:2009 Risk Management Principles and Guidelines

6.0 BUSINESS SYSTEMS

The Risk Management Strategy is one component of business systems within George Town Council. The Strategy aims to build resilience in the planning of service delivery for George Town Council's municipality by highlighting the strengths of current operating practices whilst identifying the areas for improvement. The Strategy supports the existing programs and initiatives undertaken by George Town Council to manage its risk to ensure delivery of the Strategic and Annual Plan goals and objectives.

This Framework is applicable to all George Town Council operations and functions - including activities carried out under its direction, to the public infrastructure it controls and to those situations where workers are required to work on Council projects. This includes but is not limited to:

- Strategic Direction and Governance
- Decision Making
- Business Continuity Planning
- Contract Administration Process
- Financial and Asset Management
- Event Planning
- Project Management

7.0 PLANNING AND RESOURCING

7.1 Resource Management

The Risk Management Strategy acknowledges that there are and always will be limitations and challenges to Council resources to deal with the treatment of risk.

However, identification of risks should not be limited by the reality that there may be insufficient funds to immediately improve how we currently manage risk all of Council's risks.

The Strategy approaches the understanding and identification of risks faced by Council in the broadest context. The approach to be used is to identify risks without consideration of cost of treatment but manage those risks with a view to maximising existing resources.

In accordance with its common law 'duty of care' statutory responsibilities and Council Policy, the Council will ensure that resources are allocated to:

- Minimise Council's exposure to loss and litigation;

- Protect and enhance Council's reputation;
- Protect Council's financial and physical assets;
- Maintain employee health and safety programs; and
- Ensure continuous improvement in the Risk Management process.

7.2 Continuous Improvement

George Town Council is committed to continuous improvement and the pursuit of excellence – in service delivery and business processes. The Strategy complements the methodology of continuous improvement by consideration of:

- Consultation and Communication;
- Cost/Quality;
- Effective resource use;
- Financial sustainability; and
- Accountability.

This approach is based on the philosophy that it is better to be aware of risks (even knowing that only the most critical can be dealt with after application of a prioritisation process), than to be caught unaware when a risk event occurs, suffer loss or failure, and potentially be held accountable.

7.3 Links to Council Planning and Budgeting Cycles

The Strategy raises issues ranging from the highest strategic level e.g. Councillor decision making through to the detailed issues of delivery of services to the community and the care of community assets.

The Risk Management process will input data and issues to the Council Strategic Planning and Budget process, Annual Plan and other asset management programs, and to service unit planning activity.

The Risk Management Strategy provides an effective and transparent prioritisation tool for decision making when long term and annual financial resource allocations are decided.

This process contributes to the quality of the longer term financial plans of Council (including the capital works and asset management programs) and assists in effective decision making in strategic planning which in part needs to recognise the future implications of today's decisions.

Through the use of a common framework to assess priorities; sound, transparent and defensible financial decisions and recommendations are possible.

7.4 Risk Assessments

Risk Assessments will be conducted by the relevant Manager/Supervisor, together with relevant workers and with the support (as required) of the Director Corporate Services and/or Executive Officer HR/OH&S and Risk and in accordance with George Town Council's risk assessment methodology. A Risk Assessment Form is detailed in

Appendix G. Risk data will be stored in the Risk Register which will be administered by the Executive Officer HR/OH&S and Risk and is located in H:\Risk Register.

7.5 Hazards and Incidents

Hazard and incident reporting highlights hazards and incidents and allows this information to be integrated into the Risk Register under “WH&S” risks. These risks are then considered in the same way as any other risk would be. A Hazard/Incident Identification Form is detailed in Appendix J.

8.0 KEY PERFORMANCE INDICATORS (KPI'S)

The following measures will be developed and reported to aid in tracking the implementation and effectiveness of the Risk Management Strategy at George Town Council.

	2012/13 Position	2013/14 Position	2014/15 Position
Risks recorded in Risk Register (number of)			
Workers undertaken risk awareness training (% of Workers)			
Risks identified (number of) versus Risks assessed (number of)			
Risks assessed (number of) versus Risks treated (number of)			
Risks with owners (number of)			
Recommendations implemented from hazard/incident analysis (number of)			
Risks audited to determine treatment effectiveness (number of)			
Outstanding Substantial Claims			

9.0 ROLES AND RESPONSIBILITIES

Risk management responsibilities are incorporated into all Council Position Descriptions and success measures developed for all Workers to form the basis of formal annual performance appraisals and informal performance management discussions.

Stakeholder	Roles and Responsibilities
Mayor and Councillors	Council will: <ul style="list-style-type: none"> • Be responsible for approving the Risk Management Policy; • Provide the support and basis in which the Risk Management Policy can be implemented. This includes listing risk management as a priority in Council's Strategic and Annual Plan; and • Provide adequate budgetary provision for the management of this Framework.
General Manager	The General Manager will: <ul style="list-style-type: none"> • Provide a safe and healthy work environment, in accordance with the Work Health & Safety Act 2012, its amendments, regulations, related codes of practice and Australian Standards; • Understand the principles of Risk Management; • Ensure risk awareness training is developed and provided throughout Council; • Ensure that Council meets its 'duty of care' to all Workers and the general public and protects its assets through education, appropriate risk financing and adequate loss control programs and measures • Monitor and evaluate the performance of Department Managers against their Risk Management responsibilities; • Provide proactive reporting on risk measures; • Lead the Senior Management Team (SMT) in the development and implementation of risk action plans for all those assessed as extreme; • Promote Risk Management as a vital business principle.
Directors/ Supervisors/ Managers	Directors, Managers and Supervisors will: <ul style="list-style-type: none"> • Familiarise themselves with Council's Risk Management Policy and Framework; • Actively participate in training provided in relation to risk management; • Employ risk management principles and practices and the tools outlined in the Risk Management Framework while undertaking strategic decision making and daily tasks; • Report any hazards and incidents that may have the potential risk exposure to Workers, Council, and the general public; • Positively assist with investigations related to incidents that have occurred as a result of a hazards or incident; • Develop and manage risk treatment plans for risks owned by them; • Take notice of and implement recommendations from risk management audits conducted in the workplace. • Maintain risk management manuals and records in area of responsibility including the following: <ul style="list-style-type: none"> ○ claims management manual/legal advice ○ property and motor vehicle schedules ○ loss records/management decision on risk ○ technical information/insurance policies • Assist in the effective operation of a Safety Management System • Ensure that adequate fire protection and security arrangements are in place to protect Council's assets • Review contracts and lease agreements (DCCS) • Negotiate appropriate insurance cover (DCCS) • Review insurance held by users of Council facilities (DCCS) • Develop a report on Council's achievements against its Risk Management Policy and

	<p>Framework over the previous year, for inclusion in Council's Annual Report (DCCS)</p> <ul style="list-style-type: none"> • Provide regular reports to management on the operation of the Risk Management program (DCCS)
Executive Officer HR/WH&S and Risk	<p>Accountable for:</p> <ul style="list-style-type: none"> • To provide advice and assistance to all Council Workers in relation to the development and implementation of an effective Risk Management System that observes the principles of AS/NZS ISO 31000 - Risk Management. • Monitor the effectiveness of the overall Risk Management system • To provide input into the development and maintenance of a Risk Information System integrated with other systems to provide timely, accurate and relevant information of losses, claims, premiums and other risk related information • Ensure all incidents are reported and fully investigated and the appropriate corrective action has been taken • Oversee the development of a Risk Management training program where applicable • To ensure that all documentation maintained and generated within the Risk Management process complies with Council's record management requirements • To make available relevant and the wide range of information on risk management issues affecting Council • To apply the Risk Management process for the management of risk exposures • Review the Risk Management Policy annually • Assist with public safety issues • Monitor accident reporting and recording procedures • Liaising with outside organisations/consultants for advice and assistance in areas where the organisation does not have the expertise or resources • Review with Managers all aspects of the risks management program on a regular basis, including workplace inspections and safety audits • Consult with the Health and Safety Committee and Health and Safety Representatives where appropriate to resolve health and safety issues and compliance with Risk Management principles
Workers	<p>Workers will:</p> <ul style="list-style-type: none"> • Assist in the provision of a safe and healthy work environment and comply with the Work Health & Safety Act 2012, its amendments, Regulations, related Codes of Practice and Australian Standards; • Ensure that risk management factors are fully considered when changing or setting up new work sites, work programs or undertaking new projects; • Ensure all accidents are reported; • Review with Managers/Supervisors and Workers all aspects of the risk management program on a regular basis, including workplace inspections and risk management audits; • Consult with the Health and Safety Committee and Health and Safety Representatives where appropriate to resolve risk management issues; • Ensure ongoing instruction and consultation with Workers in the proper use of plant, equipment and materials and enforce safety rules and practices that apply to Workers' work; • Ensure reporting and investigation of all accidents, incidents, injuries or near misses within the work area under their control; • Participate in audits of activities under their control; • Report any risk identified associated with Council asset, work sites or work systems.
WH&S Committee	<p>Improve organisational performance and awareness of risk management by:</p> <ul style="list-style-type: none"> • Reviewing and analysis of claims and reported incidents • Progress improvements and recommendations of the CMP Audit

- | | |
|--|--|
| | <ul style="list-style-type: none"> • Discuss and plan risk management awareness training • Populate and enhance the Risk Register • Monitor and improve the Compliance Register • Implement an audit and inspection process focused on risk management |
|--|--|

10.0 COMMUNICATION PLAN

10.1 Objectives

Communication is critical to keeping Workers informed and engaged with the implementation of the Strategy at George Town Council.

Effective communication mechanisms will support the following objectives:

- To keep Workers and stakeholders informed and engaged with the Risk Management program development;
- Development of a common language around risk management;
- Promote learning e.g. examples of success will highlight the different applications of risk management;
- Development of a risk aware culture at George Town Council;
- Demonstrate the leadership of the Senior Executive Group in implementing the Strategy; and
- Celebrate the success of the Strategy implementation.

10.2 Communication Methods

The following communication mechanisms will be utilised using the template provided in Appendix K below. Outline of risk and awareness/hazard and incident analysis training provided to existing Workers via Departmental meetings

- Executive Officer HR, OH&S and Risk to provide additional training to Departments upon request
- Risk implications part of Council Meeting Agenda
- Progress reports to SEG
- Progress reports to Council
- Regular updates in regard to risk management will be provided to all Workers via Departmental and Tool Box meetings

10.3 Progress Reports to Workers

- Six monthly report to the WH&S Committee
- Six monthly report to the Consultative Committee

11.0 RISK MANAGEMENT PROCESS

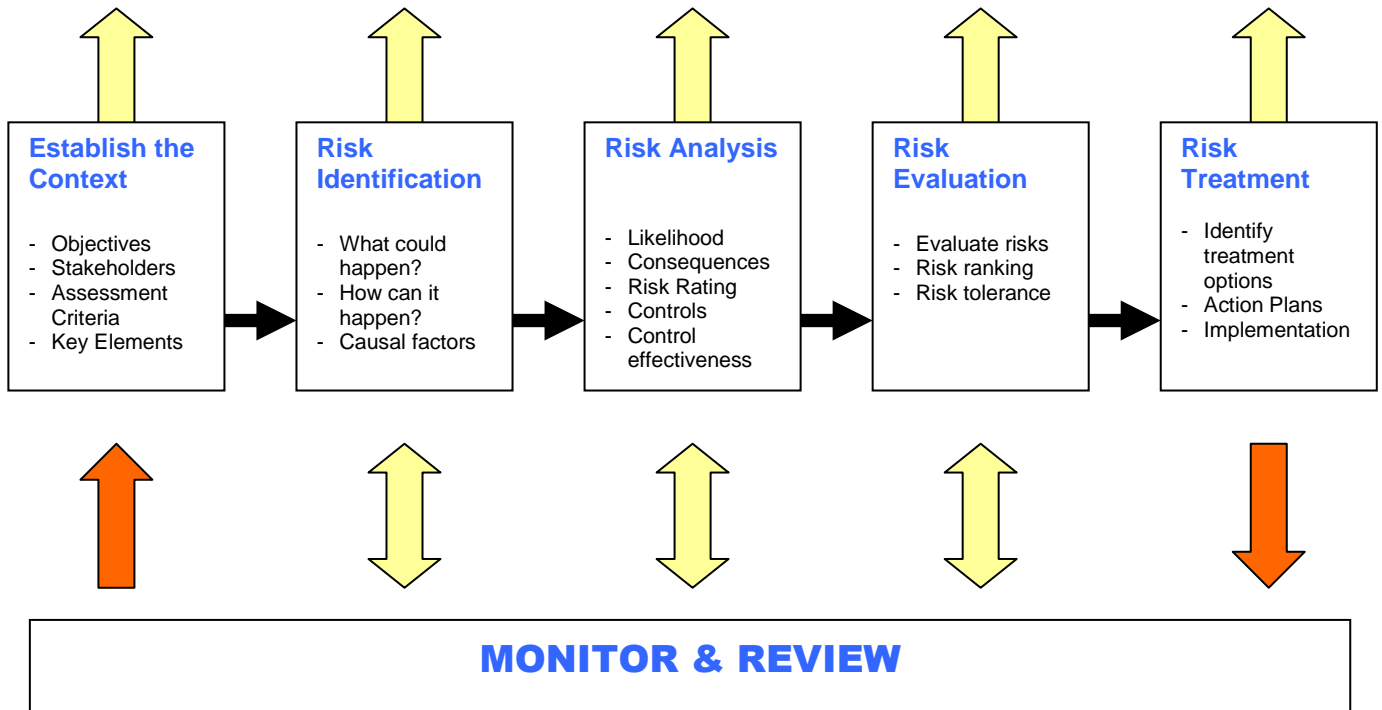
11.1 Overview

The risk management process should be:

- An integral part of management
- Embedded in culture and practice, and
- Tailored to the business processes of George Town Council

The risk management process adopted as part of this Strategy is consistent with the Standard as depicted below:

COMMUNICATION AND CONSULTATION



11.2 Communication and Consultation

Contact/Involvement – has everyone who needs to know been contacted, involved, informed and kept up to date?

Information Flow/Dialogue with Stakeholders – there should always be dialogue with stakeholders with a focus on consultation.

Feedback – success will be achieved if feedback is given by all involved in the process.

The Communication Plan is outlined in detail in Section 10 of this Strategy.

11.3 Risk Management Context

When identifying, assessing and managing risks the following external factors need to be considered:

- Community impact;
- Environmental implications;
- Political implications (State / Federal);
- Health, Safety and Well Being;
- Economic Impact;
- Media;
- Legal and Regulatory obligations; and

- External stakeholders / key third party service providers.

The following internal factors need to be considered:

- Governance; and
- George Town Council's Strategic Plan;
- Strategic Financial and Asset Management Plan;
- Capital and Operations Budgets;
- Annual Plan;
- Departmental Plans;
- Mayor and Councillors;
- Work Health and Safety and Welfare;
- Key Performance Indicators - organisation and individuals;
- Business Continuity and Emergency Management Plan;
- Business efficiency and productivity.

11.4 Risk Identification

The aim of risk identification is to develop a comprehensive list of the events that may create, enhance, prevent, degrade, accelerate or delay the achievement of objectives (remember risk is defined as being "the effect of uncertainty on objectives". This includes identifying the risks associated with not pursuing an opportunity.

To assist in risk identification, ask the following questions - What can happen? - How can it happen? Consider the causal factors.

Each department/work area is responsible for identifying their risks and forwarding them to the Executive Officer HR, OH&S and Risk for recording in the Risk Register. The Risk Register is in Excel format and an example of the format of the register is depicted in Appendix B of this Strategy.

In identifying risks, Departments/work areas need to consider a broad range of risk sources within the context of George Town Council's strategies and operations. These risk sources are outlined in Section 5 of this Strategy.

Forums for identifying operational risk include but are not limited to:

Risk Identification Workshops

The purpose of these workshops is to brainstorm risks with relevant Workers from each work area. As a result of these workshops risks are captured and documented in the Risk Register. SEG are accountable for reviewing their area's registered risks formally at least on a half yearly basis, as part of the business planning process, in consultation with relevant Workers. Information is collated by the Executive Officer HR, OH&S and Risk to formulate reporting. Individual employees may also identify risks during the review of organisational policies etc.

Risk Assessment Workshops

The purpose of these discussions is to assess the likelihood and consequence of the risks identified with relevant workers from each work area. As a result of these workshops risk rating details are captured and documented in the Risk Register. SEG

are accountable for reviewing their area's registered and assessed risks formally at least on a half yearly basis, as part of the business planning process. Information is collated by the Executive Officer HR, OH&S and Risk to formulate reporting.

The Risk Register is saved in H:\Risk Register as part of Councils corporate information and records management. All Senior Managers have access to this folder and are required to store all operational risk data at this location. The Executive Officer HR, OH&S and Risk is the administrator of this folder.

Strategic Projects / Tender Management

Managers are accountable for identifying and assessing any risks emerging as a result of tenders. These risks are to be included on the project plan which is reviewed and maintained through the life of the project / change /improvement process. Any risks which eventuate as a result of the project / change /improvement process, and are of an ongoing nature, should be recorded in the Risk Register.

Customer Requests Process/Review of Audit findings / Loss data

Systemic issues / risks can be identified upon review of this data. These risks are to be included in the Risk Register accordingly.

Strategic and Annual Planning Process

Departments are required to review their risks in the Risk Register as part of their annual planning and budgeting process usually in November-February of each year. This enables the risk profile and risk control activity to be considered as part of formulating future plans, improvements, business cases and budgeting needs.

Incident / Hazard Reporting

Incidents and Hazards are to be reported using the Incident and Hazard Reporting Process. This information and subsequent analysis may result in the identification of systemic / operational risks. These will be communicated back to relevant stakeholders to be appropriately managed in line with the risk management process.

11.5 Risk Analysis

Risk analysis involves consideration of the sources of risk, their positive and negative consequences and the likelihood that those consequences may occur. The risk assessment likelihood and consequence scales are provided in Appendix C and Appendix D. Appendix E details consequence scales for Project Risk Assessment. Each category of the consequence scale is based on the types of risks that may potentially impact Council's operations.

Existing controls and their effectiveness and efficiency should also be taken into account. For each identified risk ask "Is there anything currently in place that would effectively lessen the likelihood or impact of the risk?" If there are controls in place, then ask "Are the controls effective?", "Can the risk be shared/transferred?". The risk can then be reevaluated.

A risk rating is determined by combining the likelihood and the consequence ratings using the risk matrix provided in Appendix F.

Risk analysis is about developing an understanding of the risk. It is this analysis which provides input into the decision on whether the risk needs to be controlled or controlled further and the most appropriate and cost-effective manner of treatment.

The method of analysing risks is undertaken in two parts:

1. Risks are measured against established criteria for likelihood (see Appendix C) and consequence (see Appendix D and Appendix E for projects).
2. The final risk score (overall risk rating) is calculated as the product of the likelihood and consequence scores and rated in accordance with the matrix in Appendix F.

11.6 Risk Evaluation

Risk evaluation is done to assist in decision making – the legend below identifies the actions necessary for different risk ratings.

Legend:

Extreme	High risk, urgent attention required Risk treatment plan must be prepared Cannot be accepted as part of routine operations without EMT approval of risk treatment plan
High	Significant risk, attention required Risk treatment plan must be prepared Can be accepted as part of routine operations without EMT approval but risk treatment plan must be approved by Director responsible
Medium	Moderate risk; management responsibility must be specified Risk treatment plan required
Low	Low risk; manage by routine procedures Risk treatment plan not required

The purpose of risk evaluation is to determine, based on the outcomes of risk analysis, which risks need treatment and the treatment priorities. The risk evaluation can also lead to a decision not to treat the risk in any way other than maintaining existing controls. Information from the risk assessment (analysis and evaluation) must be entered into the Risk Register.

11.7 Risk Treatment

Risk treatment involves identifying the range of options for treating risks, assessing these options and the preparation and implementation of treatment plans. By treating the risk the aim is to either:

- Elimination of the risk – repair damage/remove risk

- Avoid the risk - by deciding not to continue with the activity
- Taking the risk - in order to pursue an opportunity
- Sharing the risk – to minimise likelihood and consequences
- Isolate the risk – relocate the risk, tag out, lock out, install barriers
- Engineering – improve the process to remove the risk e.g. use a trolley to move heavy equipment, minimise manual handling
- Administrative – rotate jobs, adequate training, maintenance
- Personal Protective Equipment (PPE) – use hearing, eye, head, hand, face protection and train Workers in its correct use
- Accept the risk by informed decision i.e. retain

In order to select the most appropriate treatment action it is necessary to balance the cost of implementing each option against the benefits derived from it. It is also necessary for consideration to be given to all direct and indirect costs and benefits financial or otherwise.

11.8 Monitor and Review

Ongoing review of the Risk Management Strategy and its effectiveness is essential to ensure that risks identified and registered in the Risk Register, assessed and associated treatment options remain relevant. Factors that affect the likelihood and consequence may change, as may the factors that affect the suitability or cost of the treatment options.

The required actions as outlined in the Risk Evaluation section above outline the monitoring and review actions which are undertaken as part of this Strategy:

- The Risk Register is formally reviewed on a half yearly basis. One of the half yearly reviews should be scheduled to coincide with the Annual Business Planning and Budgeting process.

As part of the Annual Business Planning and Budget process Departments are required to review their risks and associated action plans to treat risks. This contributes towards determining work priorities and ensuring appropriate resources are assigned to manage and control risks.

- This Risk Management Strategy and Policy are reviewed every two (2) years by the Executive Officer HR, OH&S and Risk and Senior Management Group. The outcomes and records of this review are maintained on file.
- A report shall be presented to the Council on a regular basis and should include status of risks in the Risk Register, insurance claims and details of relevant audit results.

Furthermore, an assessment of the effectiveness of the risk management program at George Town Council will be undertaken following implementation of the Strategy to ensure that it meets the objectives. This assessment will be undertaken via:

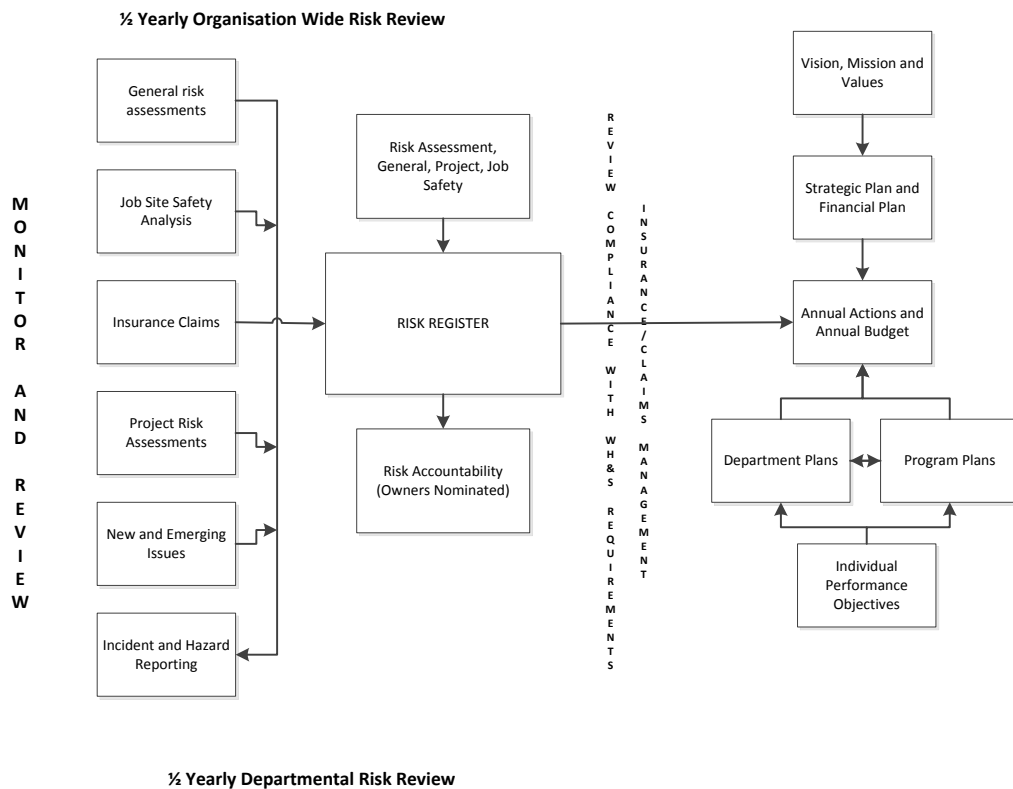
- Feedback
- Survey to stakeholders
- Implementation and monitoring of key risk indicators

- Formal assessment of incident and loss data against key risk indicators
- Internal audit of the program

12.0 RISK MANAGEMENT PLAN

12.1 Risk Management Plan Components

The diagram below depicts an overview of the flow of business process and strategies at George Town Council in supporting the management of risk in alignment with this Strategy.



13.0 REPORTING

To ensure transparency of risk management information across George Town Council, a series of reports will be produced throughout the year. The table below outlines a list of reports that will be produced as an outcome of risk management activity:

Report	Frequency	Prepared by	Audience
<ul style="list-style-type: none"> ▪ Corporate Half Yearly Risk Report Timing: November and June 	Half Yearly	Director Corporate & Community Services and Executive Officer HR, OH&S and Risk	SEG and departments
<ul style="list-style-type: none"> ▪ Corporate Risk Report: Overview of Top 10 Corporate Risks. Executive Summary outlining remaining risks across the organisation and general risk profiles Timing: November and June 	Half Yearly	Director Corporate & Community Services and Executive Officer HR, OH&S and Risk	Council, SEG
<u>Unscheduled Reports</u>			
<ul style="list-style-type: none"> ▪ New and emerging risks/issues 	As required	SEG	Council
<ul style="list-style-type: none"> ▪ Continuing critical issues 	As required	SEG	Council
<ul style="list-style-type: none"> ▪ Escalation of risk non-performance 	As required	Director Corporate Services and Executive Officer HR, OH&S and Risk	SEG

