



Major Council Policy Community Impact Statement

Risk Management Policy

Council provides the following information to the community in respect of the proposed major council policy.

PART A - General

Background

Council is considering approving a revised major council policy, the Risk Management Policy (the Policy).

The Policy outlines Wangaratta Rural City Council's (Council's) commitment to effective risk management and mandates a proactive, integrated and structured management of risk across Council.

Purpose

The Policy details that Council is committed to managing risk in accordance with the *Australian/New Zealand Standards AS/NZS ISO 31000:2009 Risk Management - Principles and Guidelines*.

Additionally, it outlines that Council is committed to ensuring that our risks are managed strategically and effectively.

PART B - Overall Impact Assessment

There have been significant revisions made to the Risk Management Policy which was adopted by Council in September 2014.

The Policy has been revised to ensure it reflects the current risk management practices used by organisation. Additionally, the Policy has been streamlined to provide a more strategic overview of Council's risk management approach.

Although substantial revisions have been made to the Policy, Council remains committed to managing risk in accordance with the *Australian/New Zealand Standards AS/NZS ISO 31000:2009 Risk Management - Principles and Guidelines*.

The Policy details that the purpose of Council's risk manage approach is to:

1. Achieve Council objectives
2. Ensure there is a common understanding of risk across the organisation
3. Maximise value for money
4. Enhance governance
5. Implement robust controls to enable proactive and efficient response to events to minimise loss
6. Enable the organisation to identify and capitalise on opportunities

The previous policy contained large amounts of content which detailed how risk management processes would be operational implemented. To return the Policy to addressing the overarching risk management principles which Council adopts to effectively management risk, the operational information has been extracted from the Policy.

A Risk Management Framework (Procedure) has been developed which contains the information on the operational processes which enable the identification, assessment, management and control of risks which supports the revised Policy.

Measures of success of the policy

The success of the policy will be best measured by the extent to which it improves effectiveness of Council's risk management processes. Evidence of this include the development of risk reporting and the inclusion of risk assessments in all Council's decision making.

Existing legislation that might be used instead

Council should adopt a Risk Management Policy to provide a clear position to Councillors and staff on the risk management objectives, principles and processes of Council.

State Legislation more appropriate

The provisions of the Policy are an appropriate solution as required by the Act.

Overlap of existing legislation

There is no overlap with existing legislation or policies.

Overlap of Planning Scheme

The policy has no relevance to the Planning Scheme.

Risk Assessment

The Policy enhances the effectiveness of Council's risk management processes.

The approach addresses the principles in which Council will identify, assess, manage and control Strategic, Project and Operational risks faced by the organisation in an effort to enable proactive and efficient response to events to minimise loss.

Legislative approach adopted

The policy operates in conjunction with the relevant sections of the Act.

Restriction of competition

Council has conducted a review of the policy in accordance with National Competition Principles. The results of that review are attached.

The Policy has no National Competition Policy implications.

Penalties

The Policy imposes an obligation only on Council itself and therefore no practical sanction can apply.

Permits

The Policy does not make provision for the issue of permits.

Fees

The Policy does not prescribe any fees.

Performance standards or prescriptive

It is considered appropriate that the Policy is a mix of performance standards and prescribed actions.

Comparison with neighbouring and like Councils

The Policy is a standard approach as adopted by all Councils. It is based on the risk management principles as detailed in the *Australian/New Zealand Standards AS/NZS ISO 31000:2009 Risk Management - Principles and Guidelines*.

Charter of Human Rights

Council has assessed the policy for compatibility with the Charter of Human Rights and Responsibilities. A report of this assessment is attached.

The policy is considered to be compatible with the Charter of Human Rights.

Consultation

In accordance with Council's Major Council Policy Consultation Local Law, council will invite submissions from interested parties.

All submissions and any proposed changes will be considered by Council prior to the policy being adopted.

Submissions

Submissions are invited from the community in regards to the policy in accordance with clause 7 of the Major Council Policy Consultation Local Law No. 4 of 2015.

A notice to this effect will be advertised in the Chronicle newspaper and also on Council's website indicating that submissions will be received for 28 days.

Persons making submissions can request an opportunity to address Council. A Special Committee of Council will be established to hear submissions on the Policy.

Any submissions received will be considered by Council.

Part C - Specific Provisions

Statement and Purpose

The Statement and Purpose of the Policy have been rewritten.

Scope

The Policy applies to all Councillors, Council employees and associates of Council.

Associates of Council extend to include contractors working in-house, staff on exchange, members of Special Committees, members of Advisory Committees, volunteers, work experience students, or graduate placements who perform work for Council, as well as external suppliers and other contractors and subcontractors.

Commitment

This policy details that Council is committed to managing risk in accordance with the *Australian/New Zealand Standards AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines*.

Risk Management Purpose

The revised Policy details that the purpose of Council's risk manage approach is to:

1. Achieve Council objectives
2. Ensure there is a common understanding of risk across the organisation
3. Maximise value for money
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6. Enable the organisation to identify and capitalise on opportunities

Risk Management Principles

The Risk Management Principles included in the Policy align line with the principles identified in the *Australian/New Zealand Standards AS/NZS ISO 31000:2009 Risk Management - Principles and Guidelines*.

The application of Council's approach to risk management aspires to ensure that it:

1. Creates and protects value
2. Forms an integral part of all processes
3. Is an essential part of decision making
4. Explicitly address uncertainty
5. Is systematic, structured and timely
6. Is based on the best available information

7. Is context aware
8. Recognises human and cultural factors
9. Is transparent and inclusive
10. Is dynamic, iterative and responsive to changes

Major Council Policy Human Rights Charter Assessment

Procurement Policy

As from 1 January 2008 all public authorities (including Councils) are required to act in accordance with the Human Rights Charter (**Charter**), and to consider human rights when making a decision.

The Charter is a law that protects the rights of all people in Victoria. It introduces standards and a framework to assist public authorities to consider the rights of all interested parties, and to be better able to strike a balance between an individual's rights and those of competing public interests.

The rights in the Charter may be subject to reasonable limitations in order to achieve this balance. As with all discerning decision making, if limitations are applied, this must be documented.

There are twenty rights listed in the Charter that promote the principles of freedom, respect, equality and dignity. These are listed at the end of this document.

Issues and Purpose	Rights Impacted Positive	Rights impacted Negative	Justification and alternatives
OBJECTIVES	Nil	Nil	No impact as it sets out the purpose of the policy.
APPLICATION	Nil	Nil	No impact as it sets out who, what and when the policy applies.
POLICY	Nil	Nil	No impact as the policy sets out the provisions for the conduct of procurement activities. There are no restrictions on human rights.
DEFINITIONS	Nil	Nil	Provides relevant definitions to aid understanding of the policy provisions.

Victoria's Charter of Human Rights and Responsibilities

The Charter sets out the rights, freedoms and responsibilities that are shared by all Victorians and protected by law.

The Charter protects the following rights in Victoria:

- Right to be recognised and treated equally before the law;
- Right to life and to not have your life taken without a lawful reason;
- Protection from cruel treatment or punishment, including torture and medical treatment without consent;

- Freedom from forced work or slavery;
- Right to move freely within Victoria, to come into and leave Victoria, and to choose where to live;
- Right to privacy and to protect your reputation;
- Freedom of thought, conscience, religion and belief;
- Right to hold an opinion and freedom of expression;
- Right to gather together, take part in a peaceful demonstration or protest, and to join groups such as political, sport or union groups;
- Protection of families and children;
- Right to take part in public life, including the right to vote;
- Right to enjoy your culture, practise your religion, and speak your language;
- Right not to have your property taken away, unless the law says it can be taken;
- Right not to be arrested or detained unfairly, and right to the security of person, such as protection from harassment and threats in everyday life;
- Right to be treated humanely when arrested or detained ;
- Protection of children in the criminal process;
- Right to a fair hearing ;
- Rights in criminal proceedings including the right to be presumed innocent until proved guilty; and
- Right not to be tried or punished more than once for the same crime.



Major Council Policy National Competition Policy Assessment

Risk Management Policy

Introduction

A policy must not restrict competition unless it can be demonstrated that:-

- The benefits of the restrictions to the community as a whole outweigh the costs; and
- The objectives of the policy can only be achieved by restricting competition.

This report applies the competition test to the Risk Management Policy.

Objectives, Legislative Compliance and Application

These sections set out the objectives, legislative compliance and application elements of the policy.

It does not contain any restriction on competition.

Policy

This section sets out the procurement policy settings and supporting processes that will guide the conduct of Council and staff.

It does not contain any restriction on competition