Risk Management Framework

2018

Introduction

This document provides an overview of the City of Greater Geraldton's (the 'City') Risk Management Framework (the 'Framework').

The City's Framework is a set of components that provide the <u>foundations</u> and <u>organisational arrangements</u> for designing, implementing, monitoring, reviewing and continually improving risk management throughout the City.

➢ The foundations are documented within the City's Risk Management Policy which articulates the outcome based objectives and management commitment to managing all risks responsibly across all areas of the City's operations.

➢ The organisational arrangements are:

     o Culture – Risk culture is the impact of organisational culture on risk management. It is not therefore separate to organisational culture, but reflects the influence of organisational culture on how risks are managed.

     o Risk Management Improvement Strategy – This sets out the plan and actions to enhance the effectiveness of the framework over the next 12 months. It includes the technical aspects of framework development and education activities to improve staff awareness.

     o Risk Appetite & Tolerance Policy – This sets out the amount and type of risk that the City is prepared to pursue, retain or take in order to meet objectives.

     o Operational Model – Detailed in this document, it describes relationships and accountabilities; including the relevant assessment criteria, reporting structure and framework review process.

     o Risk Management Procedures – The procedures, roles, responsibilities, timings, tools and templates to adequately perform risk management activities in accordance with the Policy.
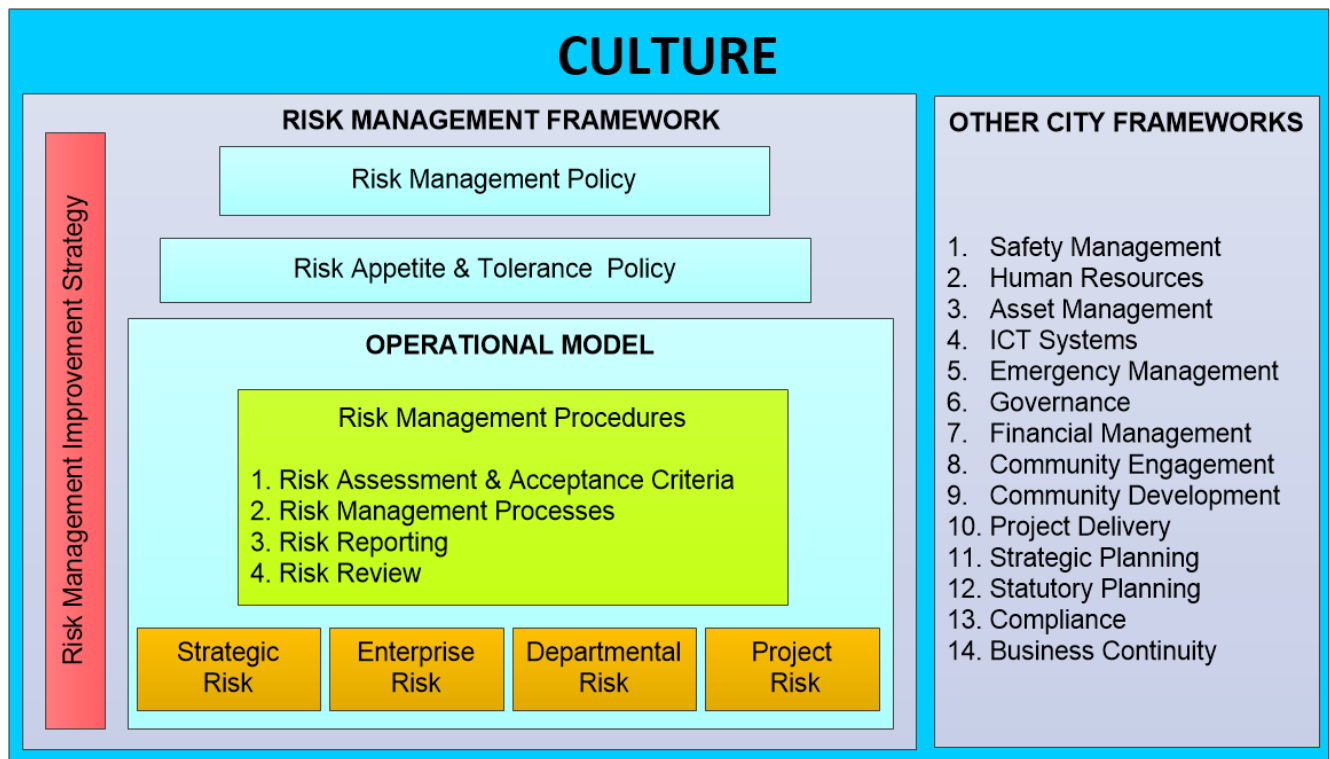

Figure 1: Diagram representing the City's Risk Management Framework and interaction with other frameworks

This Framework aims to balance a documented, structured and systematic process with the current size and complexity of the City along with existing time, resource and workload pressures.

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1. RISK CULTURE

Risk culture is the way the City's employees identify, understand, discuss and act on the risks confronted or taken.

There are both formal and informal elements that influence risk culture:

➢ Formal – Governance structures provide important frameworks through which appropriate behaviours can be encouraged and supported and poor behaviours can be identified and acted upon.

➢ Informal – Expectations and behavioural practices through demonstrated actions against the City's STARS values.

Council and the City's Executive Management Team (EMT) have a key role in promoting risk management as a vital business principle and in allocating sufficient resources for risk management activities. All employees, contractors, and volunteers also have a part to play in identifying risks and actively managing risks within their sphere and scope of work.

Risk management is a vital business management practice which is not an optional tack on. To ensure the process is managed, it must always be demonstrated through the integrated planning and reporting process and mandated in all operational functions and services.

The City's leaders will support and encourage a positive risk culture by:

➢ Empowering management and employees to manage risks effectively;

➢ Acknowledging, rewarding and promoting good risk management;

➢ Having processes that promote learning from errors, rather than punishing;

➢ Encouraging discussion and analysis of unexpected results, both positive and negative.

2. Risk Management Policy

The City is committed morally and financially to the concept and resourcing of risk management. The policy states the outcome based objectives and commitments to managing risks and contains the following components:

➢ Rationale for managing risks

➢ Linkage between the City's objectives and other related policies

➢ Accountabilities and responsibilities for managing risks

➢ Conflicts of interests

➢ Commitment to resourcing the risk management functions

➢ Performance measures

➢ Continual review and improvement of the policy

3. Risk Appetite & Tolerance Policy

The City's Risk Appetite & Tolerance Policy provides guidance to drive the City's approach to risk, ensuring alignment and consistency across all areas.

Guidance is provided through qualitative statements in specific areas of strategic, operational and project activities. All employees must make themselves aware of the City's risk appetite and tolerance in their areas of responsibilities so that they become familiar with the risks that can be pursued, accepted or avoided.

4. Risk Management Improvement Strategy

All effective frameworks have a requirement to continually improve; the Risk Management Framework is no different. The City strives for best practice in the management of risks and will document and manage the improvement strategy on an ongoing basis. There will be a minimum of two components to the strategy; technical development and employee awareness; both improving the maturity of risk management throughout the City.

5. Operational Model

The City has adopted a "Three Lines of Defence" model for the management of risk. This model ensures roles; responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the framework and risk appetite and tolerance, the Council, Audit Committee, Executive Management and the Community will have assurance that risks are managed effectively to support the delivery of the Community Strategic, Corporate Business and Operational Plans.

5.1 Three Lines of Defence

5.1.1 First Line of Defence

All operational areas of the City are considered '1st Line'. They are responsible for ensuring that risks (within their scope of operations) are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include;

➢ Establishing and implementing appropriate processes and controls for the management of risk (in line with the framework).

➢ Undertaking adequate analysis (data capture) to support the risk informed decision.

➢ Prepare risk acceptance proposals where necessary, based on level of residual risk.

➢ Retain primary accountability for the ongoing management of their risk and control environment.

5.1.2 Second Line of Defence

The Manager of Corporate Services acts as the primary '2nd Line'. This position owns and manages the Framework. They draft and implement the Framework components and provide the necessary tools and training to support the 1st line process.

Maintaining oversight on the application of the Framework provides a transparent view and level of assurance to the 1st & 3rd lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1st Line Teams (where applicable). Additional responsibilities include:

➢ Providing independent oversight of risk matters as required.

➢ Monitoring and reporting on emerging risks.

➢ Co-ordinating the City's risk reporting for the Executive Management Team, Risk Management Committee, Audit Committee and Council.

5.1.3 Third Line of Defence

Internal & External Audit are the third line of defence, providing independent assurance to the Council, Audit Committee and City Management on the effectiveness of business operations and oversight frameworks (1st & 2nd Line).

➢ **Internal Audit** – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of will be determined by the CEO with input from the Audit Committee.

➢ **External Audit** – Appointed by the Council on the recommendation of the Audit Committee to report independently to the Mayor and CEO on the annual financial statements, and the review of the effectiveness of operational controls required by Local Government Audit Regulation 17.

5.2 Review

This Framework is to be reviewed on a biennial basis in line with the Local Government Audit Regulations (regulation 17 – CEO to review certain systems and procedures). Specific requirements within the framework that require review are detailed in the Department of Local Governments Guideline number 9, Appendix 3. Local Government Components within the Framework will be subject to continual review / improvement as driven by the City's operational requirements as follows:

1. Policy – biennial

2. Strategic management model (Community Strategic Plan) – biennial

3. Operational Model (Corporate Business Plan, Budget, Capital & Renewal Program) – annually

4. Risk Appetite & Tolerance Policy – biennial or when material changes occur that warrant a review.

5. Risk Management Process – annually or when material changes to operations occur or when process improvements are identified and approved.

6. Risk Reporting Process – annually or when material changes to operations occur or when process improvements are identified and approved.

5.3   Operating Relationships & Accountabilities

The following diagram depicts the current operating structure for risk management within the City.
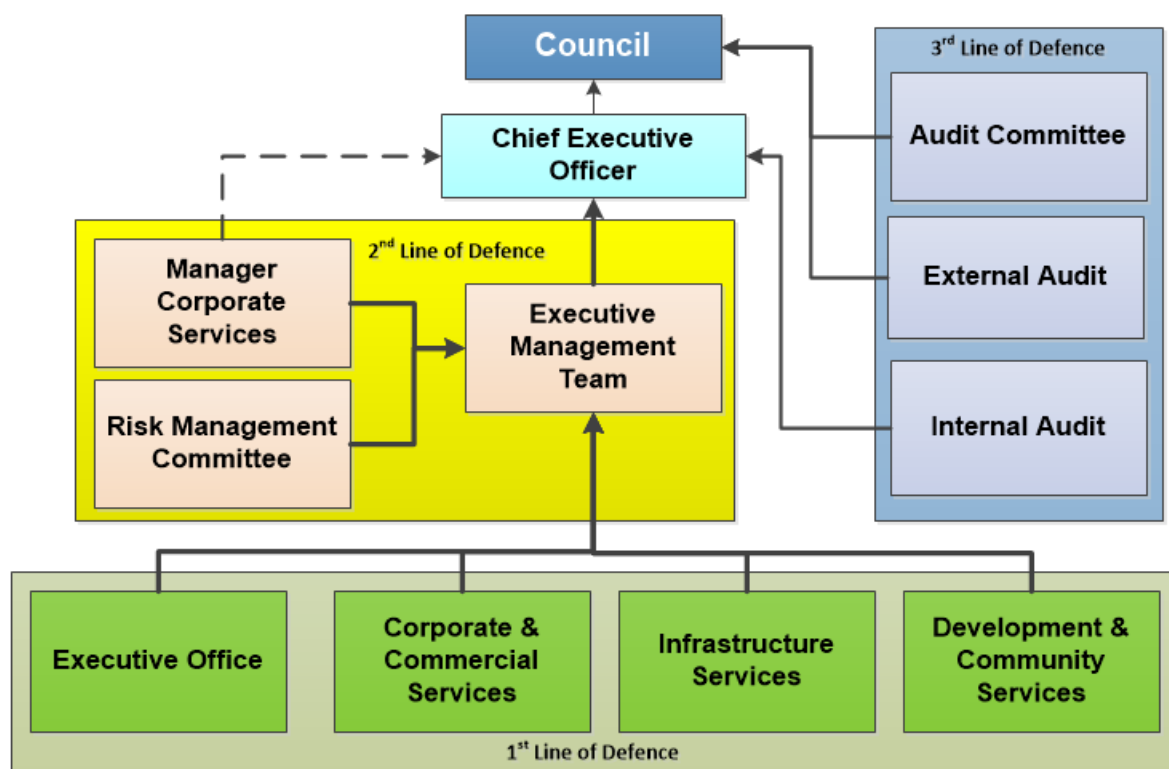
Figure 2: Diagram depicting the current operating structure for risk management within the City

5.4   Roles & Responsibilities

5.4.1 Council

➢ Adopt and review the City's Risk Management Framework, Risk Policy and Risk Appetite & Tolerance Policy.

➢ Establish and maintain an Audit Committee in terms of the Local Government Act.

➢ Ensure responsible and effective decision making through the delegated authority framework.

➢ Appoint / Engage External Auditors to report on financial statements annually.

➢ Be satisfied that risks are identified, managed & controlled appropriately to achieve Council's Strategic Objectives.

➢ Provide adequate budgetary provision for the financing of risk management including approved risk mitigation activities.

5.4.2 Audit Committee

➢ Monitor and review the appropriateness and effectiveness of the Risk Management Framework and improvement strategies.

➢ Monitor changes to City's risk profile and highlight material changes to Council.

➢ Support Council to drive effective corporate governance.

5.4.3 Chief Executive Officer (CEO)

➢ Own, promote and drive the effective implementation of the Risk Management Framework for all functions across City operations.

➢ Provide the Audit Committee and Council with regular reports on the risks being managed by the City.

➢ Review the appropriateness and effectiveness of the Risk Management Framework and provide a written report to the Audit Committee (at least biennially).

➢ Drive consistent embedding of a risk management culture by encouraging openness and honesty in the reporting and escalation of risks.

➢ Ensuring resources are appropriately allocated throughout the organisation to meet the City's risk management requirements.

➢ Ensure risk is considered in the decision making process.

➢ Liaise with Council in relation to risk acceptance requirements.

5.4.4 Executive Management Team

➢ Support the CEO in promoting and driving the effective implementation of the Risk Management Framework for all functions across City operations.

➢ Act as the overarching 'Risk Committee' for the City:

➢ Drive appropriate activities through the Risk Management Committee (RMC).

➢ Monitor and review the regular risk reports and Framework implementation activities from the RMC.

➢ Ensure risk is considered in the decision making process.

➢ Ensure the appropriate delegation, risk appetite and tolerance and the broader risk acceptance criteria are implemented.

➢ Identify, manage and / or escalate strategic risks as appropriate.

5.4.5 Risk Management Committee (RMC)

➢ Facilitate the Risk Management Improvement Strategy.

➢ Champion risk management within individual Branches and Directorates.

➢ Support the Risk Management Reporting Process.

5.4.6 Directors

➢ Promote and drive the effective implementation of the Risk Management Framework for all Branches within their Directorates.

➢ Drive consistent embedding of a risk management culture by encouraging openness and honesty in the reporting and escalation of risks within their Directorate.

- Encourage cross – Directorate interactions in the management of the City's risks.
- Ensure resources are appropriately allocated throughout individual Directorates to manage operational (and where necessary strategic, enterprise and project) risks in line with the City's risk appetite.
- Ensure branches are regularly applying the Risk Management Process to record and manage specific risks.

5.4.7 Manager, Corporate Services

- Manage the Risk Management Framework and drive the 'Line 2' function of the Operational Model.
- Facilitate the support of other Branches in the management of 'Line 2' functions, examples include but are not limited to:
  - ICT – Disaster recovery management, systems and data access, use and employee profile management.
  - HR – Management of employee / contractors risk awareness training, safety and security practices and the support of performance management programs.
  - Treasury & Finance – Oversight of the delegations framework in respect of procurement activities.
- Ensure the 'risk' resources within Corporate Services are adequate to meet the requirements of the City's Risk Management Framework (Skills, knowledge and allocation)
- Provide support to all Branches within the City in the application of the Risk management Framework.
- Own, drive and promote the risk management framework delivery program for the City.
- Own, drive and promote the Business Continuity Management (BCM) program for the City.
- Escalate issues to EMT or the CEO where risks are not being effectively managed i.e. overdue, non-compliant or high and extreme emergent risk issues.

5.4.8 Managers

- Promote and drive the effective implementation of the Risk Management Framework for all areas under their control.
- Support the Risk Management Process by ensuring risks are identified, recorded and managed.
- Incorporate 'risk management' into team activities / meetings by openly discussing the following:
  - New or emerging risks.
  - Review existing risks.
  - Control adequacy.
  - Outstanding issues and actions.
- Drive consistent embedding of a risk management culture by encouraging openness and honesty in the reporting and escalation of risks within their Departments.
- Ensure resources are appropriately allocated throughout Departments to manage operational (and where necessary strategic, enterprise and project) risks in line with the City's risk appetite and tolerance.
- Ensure risk treatment and action plans are current, and ensure all Promapp sign offs include adequate evidence of compliance.
- Ensure appropriate education and awareness initiatives are provided to all employees.

5.4.9 Project Managers

- Ensure risk management is applied to all projects in accordance with the Project Delivery Framework.

- ➢ Identify, record, report and manage risks throughout the lifecycle of the project.

- ➢ For projects classified as Major Projects ensure that all risks, treatments and actions are recorded through Promapp to assist in the risk reporting and governance frameworks.

- ➢ In conjunction with Corporate Services undertake risk assessments related to 3rd party liability risk and implement prioritised mitigation strategies.

- ➢ Ensure that when Contractor insurance is required for a project that the insurance is maintained for the life of the project.

- ➢ Undertake risk management plans for all proposed projects in consultation with the relevant stakeholders.

- ➢ Ensure design and construction includes agreed features to minimise future risk.

- ➢ Ensure risk treatment and action plans are current, and ensure all Promapp sign offs include adequate evidence of compliance.

5.4.10 Employees & Contractors

- ➢ Report to management on risks that exist within their area, without fear of recrimination.

- ➢ Adopt the City's principles of risk management and comply with all policies, procedures and practices relating to risk management.

- ➢ Perform duties in a manner that is within an acceptable level of risk to their health and safety, and that of other employees and the community.

- ➢ Comply with quality assurance procedures where applicable.

- ➢ Make risk control and prevention a priority when undertaking tasks.

- ➢ Report any hazard or incidents as detected to their Manager or the City Responsible Officer (for contractors).

- ➢ Ensure risk treatment and action plans are current, and ensure all Promapp sign offs include adequate evidence of compliance.

5.4.11 Promapp Risk Manager

- ➢ Administer the Promapp Risk Module

- ➢ Report risk matters to Manager Corporate Services

- ➢ Monitor and report on all risk and associated treatment status in Promapp

- ➢ Undertake quality assurance audits of all risk and treatments to ensure alignment to City Risk Management Framework.

6. Strategic Management Model

Risk management activities are a key part of all business processes. In particular, there is a strong relationship between the risk management process and the cycle of corporate and operational planning activities, as seen in figure 3 below. As the vision, strategy and business objectives are established for each City service unit, so too should related risks be identified and assessed.

When strategic and corporate plans and budgets are prepared; City service units should identify and assess risks to their objectives, leading to a ranking of risks, and finally, to the establishment of appropriate risk treatments and controls. However, it is important to remember that risk management is not a once a year process, risk management is embedded in everyday business management and planning.
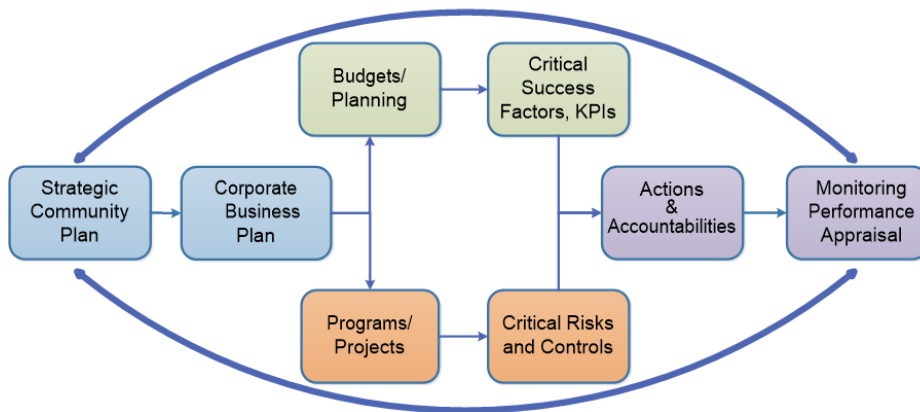
Figure 3 – City's strategic management processes which involves risk management at each step

To embed risk management as an integral part of the City's operations it is necessary to:

➢ ensure risk management processes are included in, and seen as integral to, the City's corporate business planning, budgeting and reporting processes;

➢ ensure risk management is integrated with other governance practices such as audit, legal and regulatory compliance, disaster management and business continuity;

➢ incorporate risk management into continuous improvement programs;

➢ tie risk management objectives to each relevant project, activity or work groups;

➢ include the outcome of risk management activities in reporting of programs, reviews and evaluation processes; and

➢ incorporate risk management into performance appraisals of employees.

7. Risk Management Process

The City uses the Promapp Risk Module to store, document and report on the City's Risks and treatments.

The risk management process is standardised across all areas of the City. The following diagram outlines the process with the following commentary providing broad descriptions of each step. Specific expanded guidance are provided in the Risk Management Procedures document.
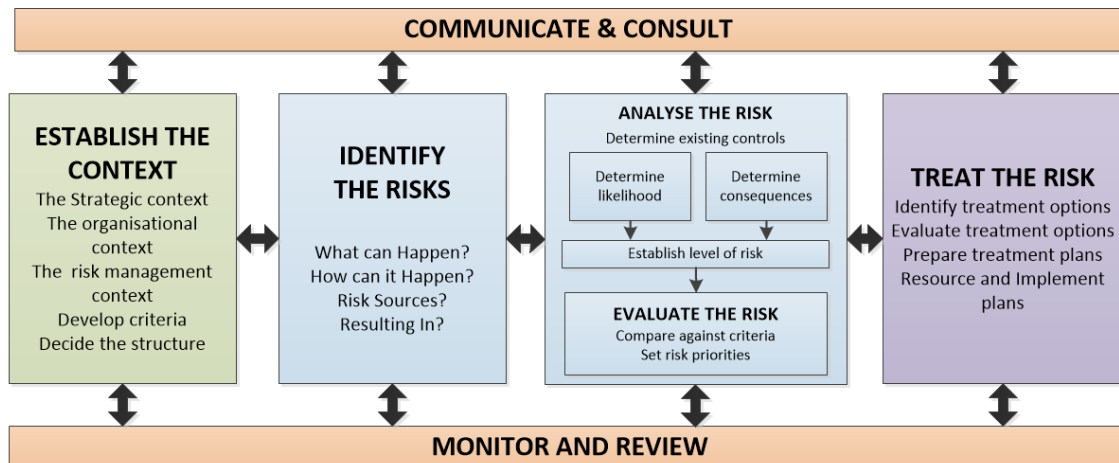
Figure 4: Diagram representing the Risk Management Process as per ISO 31000:2018 Risk management – Guidelines

7.1 Establishing the context

This defines the context of both internal and external parameters to be considered when managing risk. In this regard the City utilises a qualitative assessment, combining consequence and likelihood to determine risk levels from which high level management approaches are to be implemented.

The risk context is then categorised into four (4) main groups:

1. **Strategic Risks** – Associated with achieving the City's long-term objectives. Strategic risks generally relate to external events beyond the City's control to influence, for example legislation changes, loss of government funding and climate change etc. Strategic risks are identified and managed at EMT level.

2. **Enterprise Risks** – Operational, day to day activities, functions, infrastructure and services. Enterprise risks generally affect the whole of City operations and are within the City's ability to influence and control. Enterprise risks are identified and managed at EMT and Manager level.

3. **Departmental Risks** - Operational, day to day activities, functions, infrastructure and services. Departmental risks are identified and managed at Manager level

4. **Project Risks** – Captures risks associated with potential impacts to operational activities and those associated with the delivery of the project itself. Project risks may include a mix of strategic (risks outside City control) and operational risks. Project Risks are identified and managed by the Project Leadership team and the appointed Project Manager.
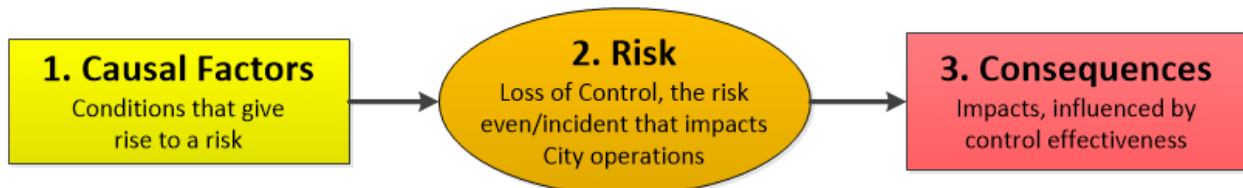
7.2   Risk Assessment

Risk assessment is three (3) step process of:

1. Risk Identification   2. Risk Analysis   3. Risk Evaluation

7.2.1 Risk Identification

This is the process for establishing, recognising and describing risks to the City. An event sequence is shown below:

It also includes the identification of the existing controls that are currently in place, mitigating the inherent risk from materialising.

7.2.2 Risk Analysis

This is the process of assessing the:

1. **Control effectiveness** – applying the City's Control Rating Guide to the design and operating effectiveness of each control individually and jointly in mitigating the risk.

2. **Residual Risk** – after considering the controls overall effectiveness, determining the likely worst consequence and the likelihood applicable to that consequence using the City's Risk Consequence and Likelihood tables. Then applying those ratings to the City's Risk Matrix to determine the level of residual risk.

3. **Inherent Risk** – The same process as residual risk, however removing the effectiveness of controls from the equation. This step will highlight the mitigating value of existing controls.

7.2.3 Risk Evaluation

This step compares the level of residual risk to the City's Risk Acceptance Criteria Table. It provides high level guidance on the approach to managing and / or escalating the risk.

7.3   Risk Treatment

There are generally two requirements following the evaluation of risks.

1. In all cases, regardless of the residual risk rating; controls that are rated '*Partially Effective* or *Not Effective'* must have a treatment plan (action) to improve the control effectiveness to at least *'Moderately Effective'*.

2. If the residual risk rating is high or extreme, treatment plans must be implemented.

7.4   Communication and consultation

Effective communication and consultation are essential to ensure that those responsible for managing risk, and those with a vested interest, understand the basis on which decisions are made and why particular treatment / action options are selected or the reasons to accept risks have changed.

7.5   Monitoring and review

It is essential to monitor and review the management of risks as changing circumstances may result in risks increasing or decreasing in significance. It also ensures that new risks are identified as appropriate.

7.6   Risk Reporting

All strategic, enterprise, operational and major project risks are maintained with 'Promapp'. This allows the centralised reporting function to meet the City's requirement to monitor and review risks by all levels of management, Audit Committee and Council.

Formal reporting is currently provided as follows:

➢ Monthly Risk Report to EMT

➢ Risk Report to Audit Committee whenever meeting held

➢ Risk Maturity Report at least annually

➢ Annual Risk Report to Council

➢ Biennial comprehensive Risk Report to Audit Committee

➢ Risk Escalation Reports

Appendix 1 – Risk Assessment & Acceptance Criteria

Consequence Table

DESCRIPTOR	SAFETY & HEALTH	FINANCIAL IMPACT	SERVICE INTERRUPTION	REPUTATION	ENVIRONMENT	LEGAL & COMPLIANCE
INSIGNIFICANT	Negligible injuries. Full recovery < 3 days	**Organisation** Less than **$10,000** **Dept./Project 0-2%** remaining Budget	No material service interruption, backlog cleared in **2 – 4 hours**	Unsubstantiated, low impact, low profile or 'no news' item *Example gossip, Facebook item seen by limited persons*	Contained, reversible impact managed by on site response *Example pick up bag of rubbish*	***Compliance*** No noticeable regulatory or statutory impact ***Legal.*** Threat of litigation requiring small compensation. ***Contract.*** No effect on contract performance.
MINOR	First aid injuries. Full recovery < 3 weeks	**Organisation $10,000 - $100,000** **Dept. / Project 2-5%** remaining Budget	Short term temporary interruption Backlog cleared **< 1 – 7 days**	Substantiated, low impact, low news item *Example Local Paper, Everything Geraldton, Facebook item seen by local community*	Contained, reversible impact managed by internal response *Example pick up trailer of rubbish*	***Compliance*** Some temporary non compliances ***Legal.*** Single Minor litigation. ***Contract.*** Results in meeting between two parties in which contractor expresses concern.
MODERATE	Medically treated injuries. Full recovery < 3 months	**Organisation $100,000 - $1M** **Dept. / Project 5- 14%** remaining Budget	Medium term temporary interruption Backlog cleared by additional resources within **< 2 – 4 weeks**	Demonstrated public outrage, unsubstantiated public embarrassment, moderate impact, moderate news profile *Example State wide Paper, TV News story, Moderate Facebook item taken up by people outside City*	Contained, reversible impact managed by external agencies *Example Contractor removal of asbestos sheets*	***Compliance*** Short term noncompliance but with significant regulatory requirements imposed ***Legal.*** Single Moderate litigation or Numerous Minor Litigations. ***Contract.*** Receive verbal advice that, if breaches continue, a default notice may be issued
MAJOR	Lost time or Severe injury Possible Partial /full recovery 4 – 12 months	**Organisation $1M - $9M** **Dept. / Project 15 -20 %** remaining Budget	Prolonged interruption of services, additional resources required: performance affected Issue resolved within **< 4 – 12 weeks**	Sustained and high level public outrage, substantiated public embarrassment, high impact, high news profile, third party actions *Example Australia wide Paper, TV News stories, Current Affair etc Significant Facebook item taken up by large numbers of people outside City*	Uncontained, reversible impact managed by a coordinated response from external agencies *Example truck or train spill of diesel and oil on road reserve/ park*	***Compliance*** Noncompliance results in termination of services or imposed penalties ***Legal.*** Single Major litigation or numerous Moderate Litigations. ***Contract.*** Receive written notice from the contractor threatening termination if not rectified.
CATASTROPHIC	Fatality, permanent disability	**Organisation Greater than $10M** **Dept. / Project** Greater than **20%** remaining Budget	Indeterminate prolonged interruption of services that impacts on Public safety and core services **non-performance or termination of service**	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions, Likely to lead to the dismissal of Council/ Councillors or Executive Staff. *Example World Wide News, TV News stories, Current Affair, 60 Minutes, Widespread Facebook item taken up by vast numbers of people outside City*	Uncontained, irreversible impact *Example Ship runs aground and spills oil along City coast line, ground water supply exhausted or rendered unusable*	***Compliance*** Noncompliance results in litigation, criminal charges or significant damages or penalties ***Legal.*** Numerous Major Litigations. ***Contract.*** Termination of Contract for default.

Likelihood Table

DESCRIPTOR	DETAILED DESCRIPTION	OPERATIONAL FREQUENCY
ALMOST CERTAIN	The event is expected to occur in most circumstances	More than once per year *or* incident is clearly imminent
LIKELY	The event will probably occur in most circumstances	At least year once per year
POSSIBLE	The event should occur at some time	At least once in 3 years
UNLIKELY	The event could occur at some time	At least once in 10 years
RARE	The event may only occur in exceptional circumstances	Less than once in 15 years

Risk Matrix

Consequence / Likelihood	INSIGNIFICANT	MINOR	MODERATE	MAJOR	CATASTROPHIC
ALMOST CERTAIN	LOW	LOW	MODERATE	EXTREME	EXTREME
LIKELY	LOW	LOW	MODERATE	HIGH	EXTREME
POSSIBLE	LOW	LOW	MODERATE	HIGH	HIGH
UNLIKELY	LOW	LOW	LOW	MODERATE	HIGH
RARE	LOW	LOW	LOW	MODERATE	HIGH

Control Rating Guide

RATING	DETAILED DESCRIPTION	OPERATIONAL APPLICATION
EFFECTIVE	No Control gaps. The control is influencing the risk level and only continued monitoring is needed	Control addresses risk, is officially documented, in operation and has been tested to confirm effectiveness
MODERATELY EFFECTIVE	Fe control gaps. The control is influencing the risk level however, improvement is needed	Control addresses risk but documentation and/or operation of control could be improved
PARTIALLY EFFECTIVE	Some control gaps that result in the control having limited influence on risk level	Control addresses risk at least partly, but is not documented and/or operation of control needs to be improved
NOT EFFECTIVE	Significant control gaps that result in the control not influencing the risk level	At best, control addresses risk, but is not documented or in operation; at worst, control does not address risk and is neither documented nor in operation

Risk Acceptance Criteria

RISK RANK	DESCRIPTION	CRITERIA	RESPONSIBILITY
LOW	ACCEPTABLE	**No immediate concern** Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	**Operational Manager/s**
MODERATE	MONITOR	**Periodic Monitoring** Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	**Operational Manager/s**
HIGH	URGENT ATTENTION REQUIRED	**Regular / Frequent Monitoring** Risk acceptable with effective controls, managed by senior management / executive and subject to monthly monitoring	**All Directors** *SAFETY / HEALTH SERVICE INTERRUPTION* **Director CCS** *FINANCIAL, REPUTATIONAL, ENVIRONMENTAL & LEGAL / COMPLIANCE*
EXTREME	UNACCEPTABLE	**Actively Manage** Risk only acceptable with effective controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	**CEO / Council**

Appendix 2 - Risk Management Framework Document Suite

➢ Risk Management Policy

➢ Risk Appetite & Tolerance Policy

➢ Risk Management Procedures

➢ Risk Management Improvement Strategy

Risk Management Framework Endorsed

Responsible Officer	Document Owner	Endorsed by EMT	Endorsed by Audit Committee	Adopted by Council
Senior Risk Advisor	Director, Corporate and Commercial Services	Mar 2015	17 Feb 2015	April 2015
Manager Corporate Services	Director, Corporate and Commercial Services	Feb 2018	Mar 2018	Sept 2018

Next review date November 2021

Version Control

Version N# Date Comment Reference
V1-23/01/12 First draft updated following C Wood i.e. Risk Appetite & Tolerance Policy updated and attached, minor document changes.
V2-6/2/12 Draft updated following reviewed by C Wood i.e. RMC ToR updated
V2-8/2/12 Draft updated following EMT meeting review i.e. RMC ToR updated, added CGG Operational Policy cover page and document control
V2-14/01/15 Complete rewrite of Framework to bring in line with Dept of Local Government & Communities Guidelines and AS NZS 31000:2009 Risk Management Standard **V3-24/02/15** Version 3 presented to Audit Committee and minor amendments undertaken i.e. grammatical and terminology **V3-17/03/15** Version 3 presented to RMC and minor amendments undertaken i.e. grammatical and terminology
V4 – 27/06/17 Biannual review to ensure currency, update to risk templates, general process updated to reflect full implementation of Promapp as software application for management of risk, amendment to risk matrices
V5 21/12/17 LGIS review Defining the set of components in the framework and aligning components to improvement strategy **V5 31/01/18** Draft review complete separating risk framework into the Council strategic document and the internal operational procedure document, AS31000 version changed AS31000.2009 become 2018