



# CP2.14 | Risk Management

## Policy Objective

The objective of the Council's Risk Management Policy is to embed risk management practices into the City of Perth's ("the City") processes and to foster a culture where risk is an enabler of informed decision making and contributes to the achievement of core strategic and operational goals. The City is working to implement accepted standards and guidelines for managing risks, in particular the *AS/NZS ISO 31000:2018 Risk Management* standard.

## Policy Scope

This policy applies to all City workers (including staff, contractors, and volunteers), Elected Members, and Committee Members. Risk management is not a stand-alone function separate from the main activities and processes of the organisation. It is an integral part of all organisational processes, including strategic planning, project management, and change management process.

## Policy Statement

Council operates in a complex and ever evolving environment to deliver a variety of services and community infrastructure. Effective risk management is not only a statutory requirement; it also contributes to the informed decision making needed to navigate inherent challenges and supports the overall achievement of Council's objectives.

The CEO is committed to enabling an effective risk management culture and applying a logical and systematic method for identifying, assessing, treating, and monitoring risks. Thus, supporting the organisation to achieve its strategic objectives.

This Policy should be read in conjunction with the Council's endorsed Risk Appetite Statement and Risk Management Framework which set out the processes and procedures in relation to the identification, assessment, treatment, and monitoring of risk.

## Risk Appetite

The Council will maintain a Risk Appetite Statement, as provided in this policy, which sets out the degree of Risk the Council is willing to accept in pursuit of its strategic objectives. The Council's appetite for risk outlines the amount and type of risk that Council is prepared to pursue, retain, or take. It is expressed in the form of a statement which covers several critical risk categories.

Council is not averse to accepting risk if a thorough risk assessment has been undertaken and risk mitigation strategies are in place to manage or reduce the risk have been developed.



## Council Policy

### Roles and Responsibilities

The Council is responsible for approving the Risk Management Policy that conveys the City's risk appetite, provides guidance to the City's risk culture and encourages proactive risk management practices.

The CEO has the overall responsibility for the City's Strategic Risks. The CEO is responsible for providing oversight of the appropriateness and effectiveness of the City's risk management processes, internal controls, and legislative compliance in accordance with *Regulation 17 of the Local Government (Audit) Regulations 1996*.

Those in leadership roles (Executive Leadership Team and Management Leadership Team) must consider and manage the risks associated with their remit.

All workers, at all levels of the organisation, have a responsibility to maintain awareness and functional knowledge of risk policies, procedures, compliance, and reporting obligations.

The specific requirements of these roles are outlined in the City's Risk Management Framework.

---

## Document Control

### Other relevant/related documents

|                                       |   |
|---------------------------------------|---|
| <b>Legislation:</b>                   | <i>Regulation 17 of the Local Government (Audit) Regulations 1996</i> |
| <b>City Policies:</b>                 | NIL   |
| <b>City Procedures and Processes:</b> | Risk Management Framework   |

### Document responsibilities

|                   |                        |                        |                |                        |         |
|-------------------|------------------------|------------------------|----------------|------------------------|---------|
| <b>Custodian:</b> | Manager Audit and Risk | <b>Custodian Unit:</b> | Audit and Risk | <b>Decision Maker:</b> | Council |
|-------------------|------------------------|------------------------|----------------|------------------------|---------|

### Review management

|                         |               |                                 |                      |
|-------------------------|---------------|---------------------------------|----------------------|
| <b>Next review due:</b> | December 2027 | <b>Document Management Ref:</b> | EDRMS-2035121629-600 |
|-------------------------|---------------|---------------------------------|----------------------|

### Document management

| Version | Decision reference   | Synopsis of changes |
|---------|----------------------|---------------------|
| 1.0     | OCM 31 August 2021   | Approved by Council |
| 2.0     | OCM 28 March 2023    | Approved by Council |
| 3.0     | OCM 10 December 2024 | Approved by Council |