RISK MANAGEMENT PLAN

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1.0	Gary Woodman General Manager	First Edition	Council Minute No. 122.5.2024 (23rd May 2024)
2.0	Gary Woodman General Manager	Minor typographical amendments Inclusion of Council's standard review clause.	Council Minute No. xxx.7.2025 (24th July 2025)

REVIEW

Council will review this Plan at least every 4 years or within 12 months following an election of Council. The Policy may be reviewed and amended at any time at Council's discretion (or if legislation changes occur).

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1. Source Documents

- AS/ISO 31000:2018 Risk Management – Guidelines;
- ISO/IEC 31010, Risk Management – Risk Assessment Techniques; and
- ISO Guide 73:2009 – Risk Management Vocabulary.

2. Definitions

Risk: "the effect of uncertainty on objectives."

- Risk is often characterised by reference to potential events and consequences or a combination of these.
- A risk is often expressed in terms of a combination of the consequences of an event (including changes in circumstances) and the associated likelihood of occurrence.
- An effect is a deviation from the expected – positive and/or negative.
- Objectives can have different aspects (such as financial, health and safety, and environmental goals) and can apply at different levels (such as strategic, organisation-wide, project, product and process).
- Uncertainty is the state, even partial, of deficiency of information related to, understanding or knowledge of, an event, its consequences, or likelihood.

Risk management: "coordinated activities to direct and control an organisation with regard to risk."

Stakeholder: "person or organisation that can affect, be affected by, or perceive themselves to be affected by a decision or activity."

Risk source: "element which alone or in combination has the potential to give rise to risk."

Event: "occurrence or change of a particular set of circumstances."

- An event can have one or more occurrences and have several causes and several consequences.
- An event can also be something that is expected which does not happen, or something that is not expected which does happen.
- An event can be a risk source.

Consequence: "the outcome of an event affecting objectives."

- There can be more than one consequence from one event.
- Consequences can range from positive to negative.
- Consequences can be expressed qualitatively or quantitatively.
- Initial consequences can escalate through knock-on effects.

Likelihood: "Chance of something happening."

- Can be expressed qualitatively or quantitatively.
- Can be defined, measured or determined objectively or subjectively.

Control: "measure that maintains and/or modifies risk."

- Controls include, but are not limited to, any process, policy, device, practice, or other conditions and/or actions which maintain and/or modify risk.
- Controls may not always exert the intended or assumed modifying effect.

3. Introduction

Risk Management is important to Warren Shire Council's ability to achieve the Strategic Objectives outlined in the Community Strategic Plan.

By fostering a vibrant Risk Management culture that encourages all staff to systematically apply the principles and procedures outlined in this plan, Council seeks to minimise resource waste and ensure that all Council objectives, activities and projects are undertaken with minimal risk.

4. Statement of Commitment

The major risk for most organisations is that they fail to achieve their strategic, business or project objectives, or are perceived to have failed by their stakeholders. Warren Shire Council is committed to establishing an environment that is not unduly risk averse, but one that enables risks to be logically and systematically identified, analysed, evaluated, treated, monitored and managed.

The plan demonstrates Council's commitment, by detailing the Risk Management Framework to be employed by all staff members, contractors, Committees and volunteers engaged in Council business and defining the responsibilities of individuals and Committees involved in the Risk Management process. The Council believes that good Risk Management is essential for the successful implementation of Council's strategic plans, as it:

- Directly supports the achievement of the Community Strategic Plan objectives.
- Indirectly supports the achievement of the Council's other strategic objectives, through:
  - Facilitating innovation, cooperation and the sharing of resources.
  - Enhancing the development and delivery of Council programs.
  - Supporting the Council's key values and ethics.
  - Encouraging a closer working partnership between the Council and the community.
  - Ensuring consultation with all Stakeholders on key issues.
  - Encouraging a proactive approach to problem solving.

5. Scope

This Risk Management Plan will be implemented by all Council Divisions/ Departments and across all Council services, functions and activities whether directly controlled by Council or delivered through third party arrangements. All employees, contractors and partner organisations engaged in the conduct of Council business are to apply consistent, proactive and systematic Risk Management practices in the employment of Council resources and the delivery of Council services.

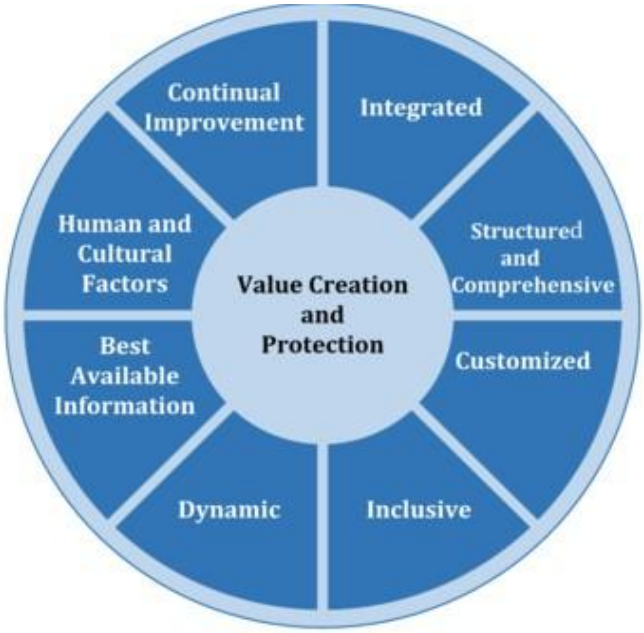
Successful Risk Management relies on input from all stakeholders and ownership of identified risks by responsible staff. To manage risks in accordance with best practice, the Council will observe the principles contained in AS ISO 31000:2018, Risk Management – Guidelines. The Council's established business practices, policies and procedures will be reviewed, to ensure that they are not in conflict with this standard.

6. Plan Principles

The purpose of risk management is the creation and protection of value. It improves performance, encourages innovation and supports the achievement of objectives.

The principles (as outlined below) provide guidance on the characteristics of effective and efficient risk management, communicating its value and explaining its intention and purpose. The principles are the foundation for managing risk and should be considered when establishing the organisations risk management framework and processes. These principles should enable an organisation to manage the effects of uncertainty on its objectives.

Diagram 1



The key principles of effective risk management require the elements of diagram 1 above and can be further explained as follows:

1. **Integrated**: risk management is an integral part of all Warren Shire Council activities.
2. **Structured and Comprehensive:** adopting a structured and comprehensive approach to risk management contributes to consistent and comparable results.
3. **Customised:** Councils risk management framework and process are customised and proportionate to the organisation's external and internal context related to its objectives.
4. **Inclusive:** Appropriate and timely involvement of Council's stakeholders enables their knowledge, views and perceptions to be considered. This results in improved awareness and informed risk management.
5. **Dynamic:** Risks can emerge, change or disappear as an organisations external and internal context changes. Risk management anticipates, detects, acknowledges and responds to those changes and events in an appropriate and timely manner.
6. **Best available information:** The inputs to risk management are based on historical and current information, as well as on future expectations. Risk management explicitly considers any limitations and uncertainties associated with such information and expectations. Information should be timely, clear and available.
7. **Human and cultural factors:** Human behaviour and culture significantly influence all aspects of risk management at each level and stage.
8. **Continual improvement:** Risk management is continually improving through learning and experience.

7. Risk Management Requirements

Risk Management principles shall be a consideration in all Council decision making processes. In accordance with its common law 'duty of care', statutory responsibilities and Council Policy, the Council will ensure that resources are allocated to:

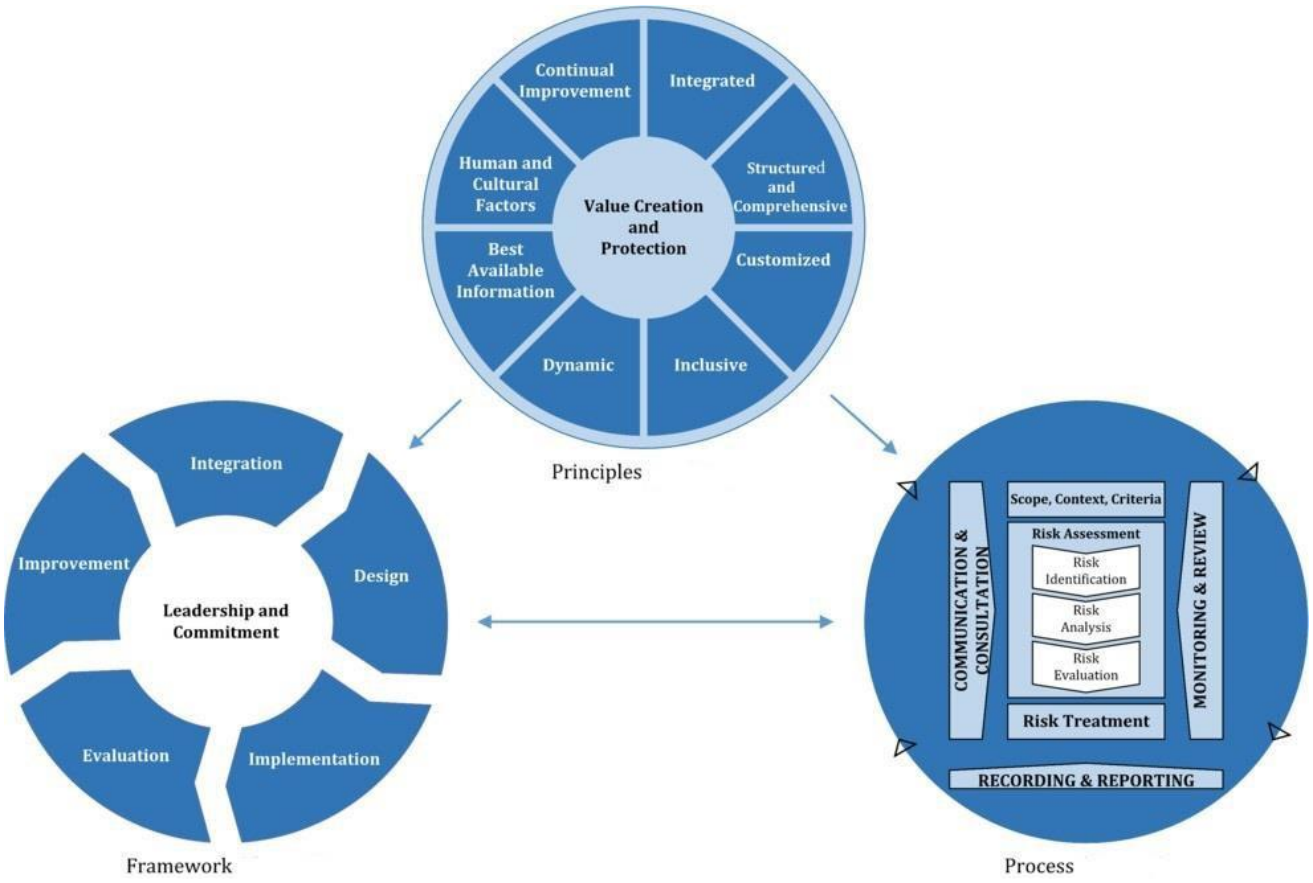
- Minimise the Council's exposure to loss and litigation.
- Protect and enhance the Council's reputation.
- Protect the Council's financial and physical assets.
- Maintain employee Health & Safety programs.
- Protect the community's Health and Safety

8. Framework

The purpose of the risk management framework is to assist Council in integrating risk management into significant activities and functions. The effectiveness of risk management will depend on its integration into the governance of the organisation, including decision-making. This requires commitment and support from stakeholders, particularly senior management.

Framework development encompasses integrating, designing, implementing, evaluating and improving risk management across the organisation. Diagram 2 illustrates the components of a framework.

Diagram 2



Council will evaluate its existing risk management practices and processes, evaluate any gaps and address these gaps within the framework.

The components of the framework and the way in which they work together will be customised to the needs of Warren Shire Council.

9. Risk Management Process

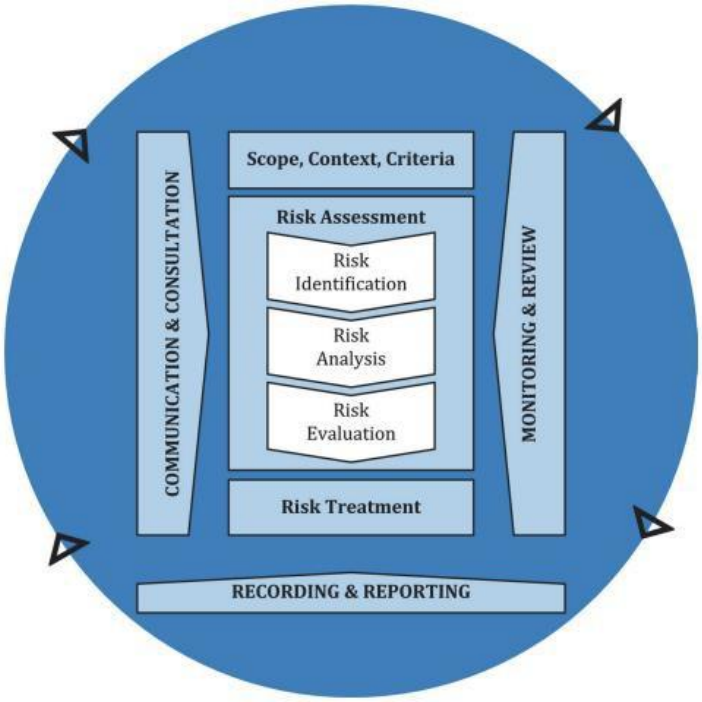
The process adopted by Warren Shire Council to manage risks is in accordance with *AS/NZS ISO 31000:2018 Risk Management – Principles and Guidelines*. This process is the application of the structured risk management methodology to be used to assess; prioritise; treat and monitor risks identified. The risk management process may capture inherent risk (prior to considering controls in place), residual risk (after considering controls in place), or both.

The main elements of an effective Risk Management approach are as follows:

- Communicate and Consult
- Establish the Context
- Risk Assessment
  - Identify Risks
  - Analyse Risks
  - Evaluate Risks
- Treat Risks
- Monitor and Review

The following diagram represents the components of the Risk Management process. Each of these components is explained further below.

Diagram 3



10. Risk Management Priorities and Resources

The Council accepts that it does not have the resources to immediately address all the risks it faces. Council will annually review and reprioritise all the risks identified and recorded in the Risk Register and determine those which must be afforded the highest priority and determine the resources required to address those risks. These risks and resources will then be approved by Manex and included in the annual revision.

These risks will represent the Council's risk focus for the following 12 months and be included in the Council's budget. All staff members should note that the absence of a risk from this plan does not preclude its management from within Divisions/ Departments resources. Nor is the annual review process inflexible: extreme and high priority risks identified at any time will be assessed and treated in accordance with the procedure described in this plan.

Council will allocate appropriate resources for risk management with consideration given to the following:

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

11 Risk Management Responsibilities

11.1 The Council

Council adopts this Plan and retains the ultimate responsibility for risk management and for determining the appropriate level of risk that it is willing to accept in the conduct of Council business activities. Council will review the effectiveness of the risk management systems.

11.2 General Manager

General Manager is responsible for identifying, evaluating and managing risk in accordance with this Plan and policies through a formal enterprise-wide risk management framework. Formal risk assessments must be performed at least once a year as part of the business planning and budgeting process.

The General Manager will report to Council annually on the progress made in implementing a sound system of risk management and internal compliance and control across Council's operations.

11.3 Senior Management Team

Senior Management Team is responsible for the accuracy and validity of risk information reported to the Council. In addition, it will ensure clear communication throughout the Council of the Council and senior management's position on risk.

11.4 Internal Audit

Internal Audit is important to the management of Council's risks including financial risk. The objective of the Internal Audit function is to provide independent assurance and assistance to Warren Shire Council on risk management, control, governance and external

accountability responsibilities. The Internal Auditor will also:

- review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including fraud; and
- review whether a sound and effective approach has been followed in establishing business continuity planning arrangements, including whether plans have been tested periodically.

Internal Audit will align the Internal Audit Plan with Council's risk profile in conjunction with Council's management, and subject to endorsement from the Audit Risk and Improvement Committee (ARIC). Internal Audit will ensure that the results of its reviews are provided to Council's management for update of the Council's risk profile as appropriate.

Internal Audit will also conduct periodic reviews of the risk management framework pursuant to the Internal Audit Plan.

11.5 Employees

Employees are responsible for management of risks within their areas of responsibility as determined under any risk treatment plans.

Employees will be responsible for the timely completion of activities contained within these risk treatment plans. Awareness sessions will be conducted routinely to ensure that employees are familiar with risk management and how it is applied within Warren Shire Council.

Risk Monitoring – Council considers several sources of information for risk monitoring, including Internal Audit, to perform independent and objective monitoring across its risk areas, including if necessary, conducting reviews of Council's operations and risk areas by external agencies.

The scope of the work undertaken by all of these functions and the reviews by external agencies, will be considered in conjunction with Council's risk profile at least annually. This will assess the independent monitoring of key risk areas

12. Risk Management Procedure

This procedure is based on the Australian Standard **AS/ISO 31000:2018 Risk Management – Guidelines**. It details the common methodology to be used to assess and address the level of risk inherent in the Warren Shire Council activities. For guidance in relation to the application of this procedure or assistance in the conduct of risk assessments, contact the WHS/Risk Co-ordinator.

A Task Analysis and Risk Assessment Form based on this process has been developed to assist those who undertake Risk Assessments. It can be found on the Council's intranet, under Forms. Several other valuable risk management tools and resources are also available at this location and all Council staff members are encouraged to explore and utilise them.

12.1 Communicate and Consult

Has everybody who needs to know been contacted, involved, informed and kept up to date?
Communication and consultation are important considerations at each stage of the Risk Management process. They should involve a dialogue with all stakeholders (both internal and external) with a focus on consultation, rather than a one-way flow of information from the

decision maker to the stakeholders.

All stakeholders must be confident that their views have been appropriately considered and that they have been kept informed of the actions being taken and the reasons behind those actions. This may extend to sending a report to all stakeholders, regarding the success or otherwise of risk controls put in place as a result of the Risk Assessment being conducted. Broad "ownership" of the risk and the plans to manage it is essential to a successful Risk Management outcome.

12.2 Scope, context and criteria

The first step in Risk Management is to establish the scope, context and criteria to enable customisation of the risk management process, enabling effective risk assessment and appropriate risk treatment. Scope, context and criteria involve defining the scope of the process, and understanding the external and internal context.

The context figure above, for managing risks within the Shire, needs to be undertaken with a complete understanding of the environment in which Council operates.

Decisions about managing risk need to consider Council's internal and external environment.

Establishing the scope, context and criteria can be done by being clear about the scope under consideration as the risk management process can be applied at different levels of the organisation (e.g. strategic, operational, program or project). Considerations should include:

- ***What do we want to do or achieve?*** Define the desired outcomes of the event, activity or project.
- ***How will we know we have been successful?*** Identify the success measure or measures for each desired outcome. For established activities, success measures should have been developed and agreed during the development of the Council's hierarchy of plans.
- ***Who will be involved in or affected by what we want to do?*** Identify the major Stakeholders for this activity, both internal and external to the Council.
- ***Do any of the Stakeholders need to be involved in the Risk Assessment?*** All Stakeholders who may feel that they have a right to be consulted should be. A formal risk assessment should not proceed until all appropriate Stakeholders can be assembled and/or consulted. All Stakeholders who are actively involved in the achievement of your success measures **must** be involved in the Risk Assessment.
- ***What records do we need to keep?*** The likely consequences of the decisions to be made and the importance of future stakeholders (including the Courts) being able to understand why these decisions were made, will dictate the level of record keeping required. As a minimum, the Risk Assessment Form mentioned earlier should be used for all risks assessed as moderate or above. Decisions concerning the making and capturing of records should consider:

- The legal and corporate governance needs for records.
- The cost of creating and maintaining records.
- The benefits of re-using information in the future.

- ***What criteria will we use to analyse the risk*?** The criterion as stated in Tables 1 and 2 below are generic, based on financial and humanitarian considerations. They will not be appropriate for the analysis of every risk faced by the Council and a decision on their applicability to the particular risk under consideration must be made. If they are not considered to be appropriate, alternative criteria must be developed and approved. Other criteria may be based on operational, technical, legal, social or environmental considerations, to name just a few. Criteria may be either qualitative or quantitative in nature.
- ***How will the rest of the risk management process be structured?*** Determine the elements or steps that the activity/event/project can be subdivided into to create a logical framework that helps ensure significant risks are not overlooked.

12.3 Risk Assessment

Risk assessment is the overall process of risk identification, risk analysis and risk evaluation.

12.4 Identify the Risks

What, where, when, how and why can things happen to prevent us from achieving our success measures?

Risks that have not been identified cannot be assessed. Alternative methods to identify uncertainties that may affect one or more objectives include:

- A brainstorming session with all Stakeholders;
- Checklists developed for this or similar events/activities/projects; and
- An examination of previous events/activities/projects of this type.

The following factors, and the relationship between these factors, should be considered:

- Tangible and intangible sources of risks;
- Causes and events;
- Threats and opportunities;
- Vulnerabilities and capabilities;
- Changes in the external and internal context;
- Indicators of emerging risks;
- The nature and value of assets and resources;
- Consequences and their impact on objectives;
- Limitations of knowledge and reliability of information;
- Time-related factors; and
- Biases, assumptions and beliefs of those involved.

The following categories will be used during a risk assessment to identify potential organisational and business unit risk and opportunities but are not exhaustive. Risk areas may include, but are not limited to:

Source	Example	Risk Area
People	Retention / loss of key personnel, competence, management activities and controls, succession planning, industrial relations, skills, training, reliability, communication, ethics, safety	HR
Property and other Assets	Physical security, property damage or loss / acquisition, environment, resources / assets management	Infrastructure
Natural disaster	Flood, storms, lightening, fire	Environment
Contractual & legal	Contract management, professional liability, public liability, statutory compliance, errors and omissions, commercial & legal relationships	
Leadership and Corporate Governance	Change of key leadership, personnel, Strategic planning, relationships, corporate image, ethical conduct, communication, segregation of responsibilities	Compliance & Legal
Business Activity	Customer service, customer relationships, marketing & promotion	Reputation & Community
Business Continuity	Continuity of supply of essential goods or services, records & information management, machinery maintenance & replacement, industrial action, utilities interruption, computer breakdown, contingency planning, emergency management	Financial
Political	Change of government, legislative changes, community expectations, communications, risk of adverse	
Financial	Planning & management, insurance, initiatives & new services, fraud	WHS
Harmful actions	Sabotage, vandalism, terrorism, arson, theft /misappropriation	

All risks identified should be communicated to your immediate supervisor, if he or she not participated in the risk identification exercise.

Council should identify risks, whether or not their sources are under its control. Consideration should be given that there may be more than one type of outcome, which may result in a variety of tangible or intangible consequences.

12.5 Analyse the Risks

How big are the risks we have identified? The purpose of risk analysis is to comprehend the nature of risk and its characteristics including where appropriate, the level of risk. Risk analysis involves a detailed consideration of uncertainties, risk sources, consequences, likelihood, events, scenarios, controls and their effectiveness. An event can have multiple causes and consequences and can affect multiple objectives.

The organisation should determine how likely a risk is to occur and how large the impact would be if it did occur. Risk analysis provides an input to risk evaluation, to decisions on whether risk needs to be treated and how, and on the most appropriate risk treatment strategy and methods.

These tables are generic in nature and careful consideration should be given to their applicability for the specific risk profile being assessed.

Table 1 - Likelihood Scale

Rating	**Likelihood** *The Probability the risk will occur*
Almost Certain	Expected to occur in most circumstances (Within 1 year)
Likely	Will probably occur in most circumstances (Within 5 years)
Possible	Might occur at some time (Within 10 years)
Unlikely	Could occur at some time (Within 20 years)
Rare	May occur but only in exceptional circumstances (Within 100 years)

Table 2 - Consequence Scale

Rating	**Area**	**Potential Impact**
Insignificant	**HR**	Nil impact to service delivery
	Infrastructure	Nil service disruption
	Environmental	Insignificant environmental damage
	Compliance & Legal	No compliance breach
	Reputation & Community	Insignificant community impact
	Financial	2% variation against budget allocations
	WHS	No injuries
Minor	**HR**	Inability to deliver seasonal services
	Infrastructure	Minor service interruption
	Environmental	Minor environmental damage
	Compliance & Legal	Inability to meet administrative duties
	Reputation & Community	Isolated community dissatisfaction
	Financial	5% budget variation against budget allocations
	WHS	First aid treatment
Moderate	**HR**	Unable to deliver Division/Department services

Rating	Area	Potential Impact
	Infrastructure	Inability to utilise resource assets
	Environmental	Major environmental damage without contamination
	Compliance & Legal	Inability to meet compliance / legal requirements
	Reputation & Community	Major community dissatisfaction
	Financial	10% budget variation against budget allocations
	WHS	Medical treatment with no loss time injury
Major	**HR**	Unable to deliver expected services of stake holders
	Infrastructure	Inability to utilize significant assets
	Environmental	Major environmental damage and contamination
	Compliance & Legal	Regulator action against Council
	Reputation & Community	Non-conformance with Council's direction
	Financial	20% budget variation against budget allocations
	WHS	Medical treatment / loss time injury
Catastrophic	**HR**	Unable to deliver vital services
	Infrastructure	Inability to utilize vital assets
	Environmental	Severe environmental damage
	Compliance & Legal	Legal action against Council
	Reputation & Community	Dismissal of governing body
	Financial	Inability to meet Councils' financial commitments
	WHS	Death or permanent disability or illness

Table 3 - Risk Level

	Consequences (How bad?)				
Likelihood (How often?)	**Negligible**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Rare	**L6**	**L6**	**M5**	**M5**	**H2**
Unlikely	**L6**	**L6**	**M5**	**M5**	**H2**
Possible	**L6**	**M5**	**H3**	**H2**	**H2**
Likely	**M5**	**M5**	**H2**	**H2**	**VH1**
Almost Certain	**M5**	**H3**	**H2**	**VH1**	**VH1**

C = Catastrophic **VH = Very High Risk**

Ma = Major **H = High Risk**

Mo = Moderate **M = Medium Risk**

Mi = Minor **L = Low Risk I = Insignificant**

RISK SCORE	DESCRIPTION
1-2	Very High/High Risk – Immediate Action Required
3-4	Moderate Risk – Action Required within 1 Month
5-6	Low Risk – If action is required, it must be taken within 6 months. If no action is required, monitor the hazard.

12.6 Evaluate the Risks

Are there any controls already in place? The purpose of risk evaluation is to support decisions. Risk evaluation involves comparing the results of the risk analysis with the established risk criteria to determine where additional action is required. This can lead to a decision to:

- Do nothing further;
- Consider risk treatment options;
- Undertake further analysis to better understand the risk;
- Maintain existing controls; and
- Reconsider objectives.

Determine if there are any existing controls already in place to address the identified risks. Existing controls could include any policies, processes or procedures established to:

- Eliminate or reduce the likelihood of a risk occurring;
- Mitigate the impact if a risk does occur; and
- Share or transfer the identified risk (e.g. insurance and /or indemnity clauses).

Once existing controls have been identified, risks need to be re-evaluated and prioritised, to ensure that the greatest risks are addressed first. The process to follow is:

- Note any existing controls identified against the appropriate risks in the Risk Register.
- Re-assess the risk in light of existing controls and adjust its Risk Level accordingly.
- Make a recommendation as to whether the risk is considered to be acceptable or unacceptable, with the reasons why.
- Forward a copy of the completed risk assessment and recommendation to the WHS/Risk Co-Ordinator, who will then present all information to the General Manager for confirmation or modification of the recommendation and Risk Level. If the risk is deemed unacceptable (a confirmed Risk Level of moderate or above), it will then be:
  - Prioritised in relation to other registered risks (considering the confirmed Risk Level rating, the nature of the people and/or property at risk and the impact on the Council's reputation and credibility, should the risk event occur).
  - Presented to the General Manager for approval or modification.
  - Entered onto the Council Risk Register by the WHS/Risk Co-Ordinator.

12.7 Selection of risk treatment options

What are we going to do about the risks we have identified? Selecting the most appropriate risk treatment option(s) involves balancing the potential benefits derived in relation to the achievement of the objectives against costs, effort or disadvantages of implementation.

Risk treatment options are not necessarily mutually exclusive or appropriate in all circumstances. Options for treating risk may involve one or more of the following:

- Avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk;
- Taking or increasing the risk in order to pursue an opportunity;
- Removing the risk source;
- Changing the likelihood;
- Changing the consequences;
- Sharing the risk (e.g. through contracts, buying insurance); and
- Retaining the risk by informed decision.

Justification for risk treatment is broader than solely economic considerations and should take into account all of the organisation's obligations, voluntary commitments and stakeholder views. The selection of risk treatment options should be made in accordance with the organisation's objectives, risk criteria and available resources. Risk treatment can also introduce new risks that need to be managed.

12.8 Preparing and implementing risk treatment plans

After a risk has been entered onto the Council Risk Register, a Risk Treatment Plan should be developed which specifies how the chosen treatment options will be implemented to ensure arrangements are understood by those involved, and progress against the plan can be monitored. The treatment plans should include:

- The reasoning for the selection of treatment options, including expected benefits to be gained;
- The Manager responsible for ensuring that the actions outlined are carried out (Responsible Manager);
- The actions which will be taken to address the risk;
- The resources required;
- The performance measures;
- The constraints;
- Required reporting and monitoring; and
- When the specified actions are to be completed by.

Unless actions are determined and responsibilities for them are allocated, the Risk Identification and Assessment processes will have been wasted. The outcome of any actions specified should be to (in priority order):

- Eliminate the possibility of a risk occurring.
- Reduce the likelihood of occurrence to an acceptable level.
- Mitigate (reduce) the consequences, should a risk occur.
- Transfer or share the risk, generally through insurance or contracting out.

Actions to be taken in relation to specified Risk Levels are:

- **Very High** – immediate action to be initiated and Risk Treatment Plans to be developed and implemented under the direct control of the WHS/Risk Co-Ordinator and General Manager. All documentation must be retained for future reference.
- **High** – action timeframe to be determined by General Manager, with Risk Treatment Plans developed by Responsible Manager/s for Approval by the General manager.
- **Medium** – action timeframe determined, and Risk Treatment Plans developed by Responsible Manager/s, with HR/WHS/Risk Co-Ordinator kept informed of progress.
- **Low** – Responsible Managers develop or modify policy or procedure to address the risk. If necessary, a simple Risk Treatment Plan can also be developed, using the template at Appendix B.
- I**nsignificant** – Risk noted and treated appropriately by those affected.

Risks identified as low or insignificant should as a minimum, have this rating recorded as a file note, along with the reasons for that rating and any decisions/actions taken as a result of the Risk Assessment undertaken.

In a climate of constrained resources, careful consideration must be given to how resources are allocated to treatment plans. You may find it more valuable to reduce higher priority risks to an acceptable level, rather than eliminate them altogether and then use any resources saved to address lower priority risks.

Finally, consult your supervisor and any Stakeholders who may not have been available to undertake the Risk Assessment, to ensure that you have left nothing out.

12.9 Monitor and Review

Have we got it right? Registered risks will remain open until they have been reduced and accepted or eliminated. The Responsible Manager and the WHS/Risk Co-Ordinator are to monitor the implementation of Risk Treatment Plans to ensure that agreed actions are being taken and review the risk levels, to reflect changes made.

Whenever an action is taken against a Treatment Plan, the Responsible Officer will:

- Assess the effectiveness of the action taken.
- Reassess the Treatment Plan to:
  - Confirm its continued applicability; or
  - Determine any changes that may now be required.
- Reassess the risk rating and notify the WHS/Risk Co-Ordinator of the new suggested rating and any recommended changes to the Treatment Plan.

Once all directed actions have been completed, the risk will be re-assessed by the Responsible Manager and the WHS/Risk Co-Ordinator and a decision made as to its acceptability or otherwise. **If a risk is considered to be unacceptable, further action needs to be taken to address that risk. No activity should proceed with a risk that has been identified as unacceptable.** If in doubt, all Stakeholders involved with the original Risk Assessment are to be consulted, prior to a risk being closed off.

12.10 Record the Risk Management Process

Each stage of the Risk Management process must be documented and reported appropriately, as determined during the "Establish the Context" step. For risks assessed as moderate and above, assumptions, methods, data sources, analyses, results and reasons for all decisions should all be recorded.

During the conduct of an event, activity or project for which a Risk Assessment has been undertaken, make notes on how effective the Treatment Plans have been and what (if any) changes were made to the original Plans be sure to communicate all changes across the organisation. This will allow better planning for the same or similar activities in the future.

All Risk Assessments and Risk Treatment Action Plans must be documented and appropriately filed for future reference: even if a risk is assessed to be insignificant and a decision is taken to do nothing, the reasoning that led to this decision must be recorded. The Risk Assessment Template is available on the intranet and can be used to document and record your decisions.

13. Reviewing the Risk Management Framework and Guidelines

In order to ensure that the risk management process is effective and continues to support the organisation's performance, all aspects of the risk management process will be periodically reviewed. The Risk Management Framework and Guidelines, Risk Management Policy and Risk Registers will be reviewed to ensure that they are still appropriate and continue to reflect the organisation's risk activities and tolerances. Records of such reviews are to be maintained on file.

Based on the results of monitoring and reviews, decisions will be made on how the Risk Management Framework can be improved. These improvements should lead to improvements in the management of risk and its risk management culture.

APPENDIX A

RISK REGISTER TEMPLATE

Area	Risk	Cause	Consequence	Likelihood	Consequence Level	Risk Rating	Risk Treatment	Likelihood	Consequence Level	Residual Risk	Effectiveness	Improvement Needed to Achieve Effective Treatment	Responsible Officer	Date Completed

Risk Types Council Rated:

- HR
- Infrastructure
- Environmental
- WHS
- Compliance / Legal
- Reputation & Community
- Financial

APPENDIX B

WARREN SHIRE COUNCIL RISK APPETITE

Council's Risk Appetite is defined as "the amount and type of risk it is willing to pursue or retain" in the achievement of goals and objectives. The Council accepts that there is an element of risk in almost every activity it undertakes.

To assist in the management of risk a criteria table (see Council's Risk Appetite Statement) has been established with the following risk appetite categories:

Assessment	Description
High Risk Appetite 5	The Council accepts opportunities that have an inherent high risk that may result in extensive reputation damage, financial loss or exposure, extensive disruption in service delivery or breakdown in information systems or information integrity, significant incident(s) of regulatory non-compliance, potential litigation and risk of serious trauma injury to members of staff and/or the public.
Moderate Risk Appetite 4	The Council is willing to accept risks that may result in major reputation damage, financial loss or exposure, major disruption in service delivery or breakdown in information or information integrity, significant incident(s) of regulatory non-compliance, potential litigation and risk of serious injury to a staff member and/or the public.
Modest Risk Appetite 3	The Council is not willing to accept risks in most circumstances that may result in significant reputation damage, financial loss or exposure, significant disruption in service delivery or breakdown in information or information integrity, serious incident(s) of regulatory non-compliance, potential litigation and risk of significant injury to a staff member and/or the public.
Low Risk Appetite 2	The Council is willing to accept some risks in certain circumstances that may result in minor reputation damage, financial loss or exposure, minor disruption in service delivery or breakdown in information or information integrity, minor incident(s) of regulatory non-compliance, potential litigation and risk of minor injury to a staff member and/or the public.
Zero Risk Appetite 1	The Council is not willing to accept risks under any circumstances that may result in reputation damage, financial loss or exposure, disruption in service delivery or breakdown in information or information integrity, incident(s) of regulatory non-compliance, and risk of injury to a staff member and/or the public.
Primary Appetite- Indicates a general appetite for taking and retaining for the given risk category. **Secondary Appetite-** Indicates an appetite-by-exception position for taking or retaining risk in specific circumstances only with approval of the **General Manger.**	

Council has determined its willingness to accept risk in relation to its risk types as outlined below:

	Willingness to Accept Risk				
	Zero Adverse	**Low Minimalist**	**Modest Cautious**	**Moderate Open**	**High Hungry**
	Preference for options that avoid risk	**Preference for ultra-safe options with low inherent risk**	**Preference for safe options with low degree of residual risk and limited potential for reward**	**Willing to consider all options with a preference for prudent options and acceptable level of reward**	**Enthusiasm for innovation leading to preference for higher rewards despite greater inherent risk**
HR				**Primary**	**Secondary**
Infrastructure			**Primary**	**Secondary**	
Environmental		**Secondary**	**Primary**		
Compliance / Legal		**Primary**	**Secondary**		
Reputation / Community		**Secondary**	**Primary**		
Financial		**Primary**		**Secondary**	
WHS	**Primary**		**Secondary**		