



Risk Management Policy

Policy Classification	Council Policy
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Applicable Legislation:	<i>Local Government Act 1999</i> <i>Local Government (Financial Management Regulations) 2011</i> <i>Work Health and Safety Act 2012</i> <i>Civil Liabilities Act 1936</i> <i>State Records Act 1997</i> <i>Commonwealth Privacy Act 1988</i> <i>Freedom of Information Act 1991</i>
Related Policies or Documents:	Kangaroo Island Council Risk Management Framework AS ISO 31000:2018 - Risk Management Guidelines SA HB:436.1:2020 Risk Management Guidelines – companion to AS ISO 31000:2018, Part 1: Boards and executives Kangaroo Island Council Risk Management Policy Return to Work SA Code of Conduct for Self-Insured Employers Work Health Safety and Return to Work Policy Risk Appetite Statements LGAMLS & LGAWCS Scheme Rules (gazetted July 2020)
Responsible Manager:	Chief Executive Officer
Approved by Council:	12 May 2026
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Risk Management Policy

1. Preamble

- 1.1. This document recognises Council's commitment to risk management, and its importance in developing and implementing its' strategic and operational plans.
- 1.2. Risk management is an integral part of good Governance practices and can inform effective decision making to achieve the objectives that Council.
- 1.3. This document also recognises effective risk management policies as contributing toward the statutory requirements of the *Local Government Act*.

2. Purpose

- 2.1. The purpose of the Kangaroo Island Council's Risk Management Policy is to enable an integrated approach to risk management. This policy is designed to be complementary to the principles of integrated planning and reporting; as well as any other associated policies and procedures.
- 2.2. Kangaroo Island Council recognises that effective risk management policies, systems and processes will inform decision making, resource allocation and risk mitigation, which in turn will support successful achievement of its vision and strategic objectives.
- 2.3. The purpose of the Risk Management Policy (the Policy) is to enable an integrated and systematic approach to risk management by:
 - 2.3.1. Articulating Council's commitment to core risk management principles;
 - 2.3.2. Supporting the implementation and maintenance of a Risk Management Framework ("the Framework") that comprises the tools and processes that underpin the organisation's risk management approach; and
 - 2.3.3. Reviewing and evaluating the effectiveness of Council's policies, systems and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis.

3. Scope

- 3.1. This document recognises that, whilst each role within Council has specific responsibilities as set out in this document, each employee has a responsibility under this policy to contribute toward risk management.
- 3.2. The following table details the roles and responsibilities of the employees and elected members of Council.

Role	Responsibilities
Council	• Endorse Council's Risk Management Policy • Review and consider any report or recommendations regarding the risk Management Framework • Ensure that risks are adequately considered when setting Council's strategies and objectives • Understand the risks facing Council in pursuit of its objectives • Ensure there is a systematic and effective approach to managing risk and opportunity across Council operations that is implemented, monitored and communicated. • Apply risk management principles to the decision making process • Monitor Council's strategic risks • To regularly review and endorse risk appetite statements
Audit & Risk Committee	• Review and endorse the Risk Management Framework • Ensure a framework is implemented and delivers a consistent approach to risk management by assigning authority, responsibility & accountability at appropriate levels within the organisation • Review reports from management and auditors and monitor that effective enterprise risk and opportunity management control have been implemented • Providing oversight of the planning and scoping of the internal audit work plan and reviewing internal audit reports on at least a quarterly basis
Chief Executive Officer (CEO)	• Promote a strong risk management culture by providing firm and visible support for risk management including ensuring appropriate accountability for the management of risk • Ensure a customised policy and framework are in place and implemented that deliver a consistent approach to risk management • Provide overall risk management leadership and maintenance of a risk culture, embedded into decision making • Ensuring the Executive have the necessary knowledge and skills to effectively fulfil their risk management responsibilities • Regularly reviewing strategic and operational risks and maintaining an understanding of the environment in which the organisation operates, the risks it faces and the effectiveness of its controls • Ensuring compliance with legislative contractual obligations and policy requirements and activities • Lead responsibility for strategic risks (and members of the Executive)

Executive Management Team and	• Commitment to, and promotion of, the Risk Management Policy and Framework • Monitor Council's overall risk profile and mitigation strategies; identify new and emerging Strategic risks • Ensure that risk management is embedded into all functions and activities including decision making • Ensure documentation of items on the risk register are ongoing and regularly reviewed • Ensuring that risks that cannot be treated immediately are recorded on the risk register and that there is ongoing and regular review of the risk register, (including follow up and close out of overdue risk treatments) Include risk treatments into departmental plans • Provide performance management arrangements that support the desired approach to managing risks • Ensuring compliance with legislative and contractual obligations and policy requirements • Empower staff to actively be involved in managing risk • Promote a proactive risk culture in accordance with business management initiatives
Senior Leadership Team	• Promoting this Policy and the Framework while monitoring Council's overall risk profile and controls. • Implementation, management and evaluation of risk management, in accordance with the Policy and Framework within their areas of responsibility • Ensuring that risks are recorded in Council risk registers and ongoing maintenance and controls are reviewed and in place.
Corporate Risk Officer	• Provide guidance to Executive Management, Council Management teams, and CEO on any risk related matter. • Facilitate the development of the Strategic Risk Profile • Maintain the Risk Management Policy and Framework to ensure its currency and relevance. • Maintain the Risk Management Policy and Framework to ensure its currency and relevance. • Maintain the Risk Register and reporting timeframes as required • Follow-up with the responsible officer regarding any overdue risks, controls, MAPs or tasks.
Employees, Volunteers, and Contractors	• Understand the risk management processes that are integrated into all Council activities • Identify, evaluate, report and manage risks in their daily activities and projects

4. Definitions

- 4.1. **CEO** means the Chief Executive Officer of the Kangaroo Island Council.
- 4.2. **Council** means the Elected Body.
- 4.3. **Kangaroo Island Council (KIC)** means the administration.
- 4.4. **Risk** means the effect of uncertainty on objectives
- 4.5. **Risk Management** means the coordinated activities to direct and control an organisation with regard to risk
- 4.6. **Risk Management Framework** means the structure and organisational arrangements for designing, implementing, monitoring, reviewing, documenting, and continually improving risk management throughout the organisation.

5. Policy Statement

- 5.1. The management of risk will be integrated in Council's governance structures, including decision making. Risk management will be considered alongside the development and implementation of the operational plan, community strategic plan, delivery program, and other strategic plans such as the annual and business plans.
- 5.2. This integrated approach to risk management is enabled through:
 - 5.2.1. Council's commitment to core risk management principles.
 - 5.2.2. Defining responsibilities for the application of risk identification, assessment, evaluation and treatment programs across Council operations'.
 - 5.2.3. A Risk Management Framework ("the Framework") that provides the tools and programs to underpin Council's approach to achieving a balance between the costs of managing a risk and the anticipated benefits.
 - 5.2.4. Commitment to the evolving nature of risk identification and management.
- 5.3. Council is committed to maintaining and applying governance and risk management principles to ensure that any impacts to strategic and business objectives are considered and analysed.
- 5.4. Council will adopt and implement a systematic approach to identify, assess, evaluate and treat (mitigate) risks. The risk management program involves identifying opportunities to ensure Council achieves its strategic goals whilst recording and managing its operation risks.
- 5.5. Administration will lead, actively participate and have complete oversight over all aspects of risk management within their areas of responsibility.

- 5.6. Council will maintain a Framework consistent with the guidelines and principles of risk management as set out in the International Standard ISO31000:2018 – Risk Management Guidelines, with the goal of providing a consistent approach for dealing with uncertainties likely to impact on the achievement of Councils Vision.
- 5.7. The risk register(s) will be periodically and consistently reviewed in accordance with set timeframes identified in the Framework.

6. Legislative Requirement And Policy Context

- 6.1. Section 48 of the Local Government Act 1999 ('LG Act') requires Councils to identify risks associated with a project and take steps to manage, reduce or eliminate those risks, (including by provision of periodic reports to the CEO and to the Council.)
- 6.2. Section 99(1)(ia) requires the CEO to ensure that effective policies, systems and processes are established and maintained for the identification, assessment, monitoring, management and annual review of strategic, financial and operational risks.
- 6.3. Section 125 of the *Local Government Act 1999* ('LG Act') requires Council to ensure that appropriate policies practices and procedures of internal control are implemented and maintained in order to assist the Council to carry out its activities in an efficient and orderly manner to achieve its objectives.
- 6.4. Section 125A requires the person primarily responsible for the internal audit function to ensure that any reports they prepare relating to the internal audit function are provided directly to the audit and risk committee and may report any matters relating to the internal audit function directly to the audit and risk committee;
- 6.5. Section 126/126A(4)(g) requires the council and Audit and Risk committee to provide oversight of planning and scoping of the internal audit work plan and to review and comment on reports provided by the person primarily responsible for the internal audit function at least on a quarterly basis;
- 6.6. Section 126/126A(4)(h) requires the council and audit and risk committee to review and evaluate the effectiveness of policies, systems and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis;
- 6.7. Section 132A of the LG Act requires Council to ensure that appropriate policies, practices and procedures are implemented and maintained in order to ensure compliance with statutory requirements and achieve and maintain standards of good public administration.
- 6.8. Section 134(4) (b) of the LG Act requires Council to adopt risk management policies, controls and systems by a resolution passed by at least a two thirds majority of the members of Elected Members prior to entering into financial arrangements for the

purpose of managing, hedging or protecting against interest rates or other costs of borrowing money.

- 6.9. As a member of the Local Government Association Mutual Liability Scheme, Council is bound by the Scheme Rules, which include an obligation to ensure that adequate risk management and prevention strategies are put in place so as to absolutely minimise the risk of any incident, circumstance or matter that may give risk to a claim.

7. Availability of Policy

- 7.1. This Policy will be available for inspection via the Council's website:
www.kangarooisland.sa.gov.au
- 7.2. Copies will be provided to the public upon request, and upon the payment of a fee in accordance with the Council's Schedule of Fees and Charges.

SIGNED:



Chief Executive Officer

Date: 12 May 2026

History:		
Date Reviewed:	Version:	
09 October 2018	Version 1	Adoption of new Policy. Minute Ref# C327:2018
12 May 2020	Version 2	Scheduled revision Minute Ref# C218:2020
10 May 2022	Version 3	Update to reflect Audit & Risk Committee
14 May 2024	Version 4	Updated definitions and roles and responsibilities in line with revised Risk Management Framework
12 May 2026	Version 5	Periodic Review, Updated scope of responsibilities and legislative references.