Risk Management Framework Policy and Corporate Standard – Consolidated Internal Feedback Table to 19 August 2020

This table summarises feedback received from the following consultation activities:
- ☐ ARIC Risk Management Workshop -
- ☐ General Consultation
- ☐ Executive Team Risk Management Workshop 1 & 2
- ☐ Leaders Risk Representative Group

NO.	POLICY (P) /CORPORATE STANDARD (CS)	DOCUMENT REFERENCE	SUBMISSION CONTENT	AGREED Y = Yes N = No	INCLUDED IN CURRENT DRAFT	COMMENTS
1.	P	P 5.0	The definitions of Corporate Risk, Project Risk ad Operational Risk should be consistent with the definition of Risk (Stephen)	Y	Y	Definitions have been updated to refer to uncertainty on objectives.
2.	P	P 5.0	The definition of risk should refer to an event (Sandra)	N	N	That would be inconsistent with the ISO definition of risk however section 6.3 of the CS specifies that risk is to be described with reference to Cause, Event & Effect.
3.	P	P 6.0	Section 6.0 first paragraph should refer to "…Council endeavours to lower the likelihood of NEGATIVE risks materialising…" (Kerry)	Y	Y	Section 6.0 has been amended.
4.	P	P 6.1	The risk appetite for reputational risk should be "minimal" as in my experience Council's do not and should not take risks with regard to their reputation (Kerry)	?	Y	This is a decision for the Executive Team and ultimately for Council. Has been incorporated in the final draft for Executive Team consideration.
5.	P	P 6.1	The risk appetite for service delivery risk should be "moderate" as a lot of the activity included in the definition of "service delivery" is flexible (Sandra)	?	Y	This is a decision for the Executive Team and ultimately for Council. Has been incorporated in the final draft for Executive Team Consideration.
6.	P	P 5.0 & P 6.2	"Leader" needs to be defined so that responsibilities are clearly defined.	Y	Y	Leader has been removed and has been substituted with Manager and Specialists.
7.	P	Whole	Supports the content of the policy – an improvement on the previous policy that included too much detail on the Business Improvement Committee.	Y	Y	
8.	CS	CS 5.0	"Leader" needs to be defined so that responsibilities are clearly defined.	Y	Y	Leader has been removed and has been substituted with Manager and Specialists.
9.	CS	CS 6.3 STEP 1	Corporate Plans, Operational Plans and associated planning processes should be included.	Y	Y	Project and business planning is now included.
10.	CS	CS 6.3 STEP 1	Not sure how this will be applied as a leader. (Stephen)	N	N	The risk assessment process will be supported with procedures and training.

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11.	CS	CS 6.3 STEP 2	When you are analysing risk it is important to refer to the event and the most likely effect not the worst effect. (Sandra)	Y	Y	Figure 3 – Method of calculating risk directs users to refer to the most credible and likely consequence.
12.	CS	CS 6.3 STEP 2	Mixed feedback was received on the Risk Matrix. For some the detail was thought to be beneficial, for others it was too complicated	Y	Y	We have elected to revert to a more simplified Risk Matrix supported by an Actions table.
13.	CS	CS 6.3 STEP 2	A definition is required of a Treatment Plan (Kerry)	Y	Y	A definition has been included as well as further detail regarding what must be included in a Treatment Plan.
14.	CS	CS 6.3	Figure 1 – Risk Management Process: Should this be a process review/maps?	N	N	A process map has not been included at this point in time.
15.	CS	CS 6.3 STEP 2	Table 2 Risk Matrix - What is a risk treatment plan?	Y	Y	A definition of a Risk Treatment Plan has been included in the CS.
16.	CS	CS 6.3 STEP 3	Where a risk is poor / unsatisfactory as per Table 3 Control Effectiveness. Just a comment, should Insights and Innovation, process improvement leader be a stakeholder in the risk register? In relation to processes?	N	N	Risk as a whole is monitored by the Risk and Insurance Officer. Process improvement as a result of an ineffective control will be driven by the relevant business unit. Will not automatically be referred to Insights and Innovations Team.
17.	CS	CS 6.4	Table 6 Risk Management Across Business Processes - What is the interpretation of a business process for the purpose of this document? Insights and Innovation are working on Business process management maybe we should crosscheck there is alignment. The term "business process" is also referenced in Annexure 1 – Consequence Table in the service delivery section (page 13) "Interruption to one business process or the limited short-term impact on our business objectives"	N	N	Business process is used as a generic definition in the CS.
18.	CS	CS 6.4	Table 6 > Service Provision and Administration – Should processes be included in examples of how risks can be addressed and managed?	Y	Y	This has now been incorporated in Table 6.
19.	P & CS	Whole	At it's core, my view of a Risk Framework is that it exists to control and reduce the risk of harm to our people, processes/services and	Partially	Partially	While Environmental Risk and Health and Safety are important risk categories, the Risk Management Policy

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			the environment. I don't get that feeling when I read the Policy document – even symbolically, Health, Safety & Wellbeing is at the bottom of the risk category list. I think there would be value in reshaping some of the wording to emphasise the criticality of the safety of our people and the community.			is broader than health and safety must apply across the entire organisation

Health Safety and Wellbeing has been elevated to the first Corporate Risk Category in the Risk Appetite table in compromise. |
20.	CS	CS 4.0	Related documents: we should reference our risk assessment tools (ie Take5, JSEA?, SWMS, etc).	N	N	It is a conscious decision not to include these as related documents as Council is yet to develop approved templates for these documents. There will be a risk assessment procedure that will provide these details.
21.	CS	CS 6.1	6.1 – what is 'unrewarded risk' – may be a term that needs to be included in the definitions.	N	N	A risk with no reward. This is a generic term and no definition is required.
22.	CS	CS 6.3 STEP 1	6.3 Step 1 'Identify Risks': I find this way too vague – we need to be clearer on the expectations around risk assessment. This is fundamental to creating a risk aware culture	N	N	Step 1 – Identify Risks – The bulleted list in this section provides a number of ways that risks can be identified. The means to identify risk will vary depending on the business unit and type of risk being identified. Procedures will be developed to support risk identification in a number of scenarios.
23.	CS	CS 6.3 STEP 2	Step 2 – would be good to use consistent language to the Incident & Investigation CS around 'actual and potential consequence'.	Y	N	There does need to be consistency between these two documents. It has been recommended that the Risk Assessment provisions be removed from the Incident and Investigation CS and refer to "in accordance with the Risk Management CS"
24.	CS	CS 6.3 STEP 2	Step 2 – Likelihood: Most tables I have seen include some reference to a frequency or timeframe (eg within a year; within 5 years). This gives context to the description.	N	N	It was a decision of the executive team to not include descriptors. This can be addressed in training.
25.	CS	CS 6.3 STEP 2	Step 2 - I find the Risk Matrix difficult to read with so much detail captured within the matrix. Is It possible to show the detail within a key rather than within the table? (eg Medium = routine procedures, Qtrly review, etc..). Ideally, the matrix is something that will be reproduced throughout various subordinate documents (eg risk assessment tools) – so it should look familiar every time someone sees it. There is value in keeping it simple.	Y	Y	The Risk Matrix has been amended.
26.	CS	CS 6.3 STEP 2	Risk Matrix - I think it is unrealistic that all risks would be reviewed by the Exec on an annual basis – particularly those that are rated as Low.	N	Y	Further clarification has been provided in Table 3 that now links to reporting activities in Table 5.

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27.	CS	CS 6.3 STEP 2	I was unclear from the wording if all of the reviews were based on inherent risk, or residual risk (particularly after reading the last paragraph in Step 2).		N	Additional wording has been used to provide clarity around residual and inherent risk.
28.	CS	CS 6.3 STEP 5	Step 5 – Monitor, Review & Reporting: it's probably captured under 'identify and assess new risks', but I think it could be clearer around what needs to happen at the Exec level if a new High/Extreme risk is identified (eg as a result of a High-Po near miss).	Y	Y	Table 5 has been updated.
29.	CS	CS 6.4	6.4 Implementation: Incident management processes – 'All incidents are to be reported to the relevant business unit manager.' I'm not sure that's the case, if an incident is assessed as 'insignificant' I thought it may only go to the Team Leader? Not sure.	N	N	It was determined that Level 3 Managers should be aware of incidents occurring within their business unit as part of their "risk awareness" Note that this is an enterprise risk management framework – applies to the whole organisation. Incident reporting will be dealt with under the relevant procedure. Reporting mainly relates to risks in risk registers.
30.	CS	CS 6.3 – STEP 2	Annexure 1 – Consequence Table: I don't agree with blending IR/productivity risks with safety risks – again I think this detracts from the value that we place on the safety of our people and the community.	Y	Y	IR has been removed and we now have a Health and Safety Focus only. (Primarily due to feedback received from Health and Safety Team).
31.	CS	CS 6.5	6.5 Key responsibilities: 'Leaders' are responsible for maintenance of the BU risk registers? That seems like a lot of pressure (and possible exposure) – particularly if we don't have any in place currently. Should there be a Manager level and TL level?	Y	Y	CS now refers to Managers/Specialists.
32.	CS	CS 6.5	As the PCBU, I believe we are responsible for communicating the risks associated with the activities that we conduct. I'm not sure that responsibility is captured effectively.	N	N	References to PCBU must be dealt with through the WHS procedures.
33.	CS	CS 6.3 STEP 2	Likelihood Table - without frequency employees will not be able to easily distinguish between for example Likely and Possible	N	N	It was a decision of the Executive Team to not include examples as they would be inconsistent across the organisation. This could be addressed in training.
34.	CS	CS 6.3 STEP 3 / 4	Risk Matrix - the treatment or response to the Risk Levels should be removed from the table. The table suggests that for example the	N	N	This is a enterprise Risk Management Framework applying to the whole organisation. Risk Assessments will be managed in accordance with WHS procedures.

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			Executive Team will annually review risks with a Low and Medium Rating, the High ratings quarterly and Extreme Ratings monthly. Currently there could be as many as 4000 Risk Assessments per month which will result in a rating which then needs to be reviewed. The table is also complex and we should consider how the lowest denominator would interpret this and understand what is required.			
35.	CS	CS 6.3 STEP 2	Consequence Table - Regarding risk categories, the team advocated to bring back the People category and commented that Poor Organisational Culture and a Fatality do not read well together and that high level of staff turnover is much different for example from safety incidents. I explained that we wanted to simplify combine categories. I understand their comments and think we need to consider the impact of broadening the categories.	Partially	Y	Under Consideration. This has been a result of combining the "Our People" consequence category and the "Safety & Wellbeing" category. IR References have been removed from the Health Safety and Wellbeing consequence table.
36.	CS	CS 6.3 STEP 2	Consequence Table – the health and safety consequences does not reflect the safety teams current means of assessing risk. First Aid and medical treatment needs to be separated. LTI should possibly be Major.	Partially	N	Again this is an enterprise risk management framework applying to all risks. Consider what risk an LTI proposes to the business as a whole. The consequence table has to apply to all risk across the organisation. This needs to be an Executive Team decision. Consider flow on effects of making an LTI a Major Risk.
37.	P	P 3.0	We could reference a number of pieces of legislation here. If we reference one we must reference them all. Work Health and Safety Act, Environmental Protection Act etc.	Y	Y	Decision was made by Executive Team to only refer to the Local Government Act & Regs rather than each individual piece of legislation which requires us to manage risk.
38.	P	P 4.0	There are two many related documents and this could create confusion for the reader and do not apply to the Risk Management Framework	Y	Y	Related Documents reduced to minimum.
39.	P	P 5.0	Definition required for Risk Tolerance	Y	Y	Definition added
40.	P	P 6.0	Principles: Second dot point should refer to the culture as a "risk aware" culture rather than a "risk management culture"	Y	Y	Wording amended.

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41.	P	P 6.1	Discontentment with the categories of risk (Community, environment, our people, regulatory and legal, service delivery, asset management, operations, our region, safety and wellbeing). What is the connection with the Corporate Plan, possibly some duplication.	Y	Y	It was discussed that several of these, particularly the "our people" category were strongly advocated for by the Leaders Risk Representative Group. The Executive Team agreed that the following categories would be used in the Risk Appetite Table and Consequences Table: - Financial - Reputation - Environment - Regulatory & Legal - Service Delivery (incorporates elements of asset management and operations) - Health, Safety & Wellbeing (includes elements from our people) These risk categories are now also defined in P 6.1
42.	P	P 6.1	Clarity needs to be provided around whether the risk appetite refers to inherent risk or residual risk	Y	Y	The risk appetite has been amended so that it clearly refers to residual risk.
43.	P	P 6.1	The lowest level of risk appetite in the Policy is "Zero" and it is defined as "Council accepts as little risk as possible". It is not realistic to have risk as "Zero" and this needs changing.	Y	Y	The levels of risk appetite now refer to Minimal, Moderate, Open and Seeking Opportunity.
44.	P	P 6.2	Councillor responsibilities need to be more specific	Y	Y	Councillor responsibilities amended
45.	P	P 6.2	CEO responsibilities is too generic - "Overall responsibility for leadership in developing an organizational culture for managingrisks and ensuring that a risk management system is established, implemented and maintained in accordance with this policy. Responsible for understanding and considering risks within the decision-making process."	Y	Y	Amended CEO Responsibilities now included in P & CS.
46.	P	P 6.3	General Manager responsibilities – "ensuring employee compliance" is not appropriate for a General Manager responsibility.	Y	Y	Amended to included wording "implementing this policy and ensuring that there are systems in place for the business to maintain adherence to this policy" and "fostering a culture where risks can be identified and escalated as required".
47.	P	P 6.3	Separate responsibilities are required for Leaders	Y	Y	Responsibilities added for Leaders – separate to all staff

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48.	P	P 6.3	Minor amendments proposed for Employees, Contractors, ARIC	Y	Y	Amended as requested.
49.	CS	CS 1.0	Remove reference to risk appetite as this is being established in the Policy	Y	Y	Amended as requested.
50.	CS	CS 3.0	We could reference a number of pieces of legislation here. If we reference one we must reference them all. Work Health and Safety Act, Environmental Protection Act etc.	Y	Y	Decision was made by Executive Team to only refer to the Local Government Act & Regs rather than each individual piece of legislation which requires us to manage risk.
51.	CS	CS 4.0	There are too many related documents that could create confusion for the reader and don't directly apply to the RMF	Y	Y	Removed reference to additional Corporate Policies and Standards
52.	CS	CS 5.0	A definition of Residual Risk is needed.	Y	Y	A definition was added.
53.	CS	CS 6.1	There is some duplication from the Risk Appetite – this should be removed from the risk profile	Y	Y	Information relevant to Risk Appetite was removed from Risk Profile.
54.	CS	CS 6.2	The Risk Appetite Table should not be duplicated in the Corporate Standard.	Y	Y	The table was removed. A description of Risk Appetite was left in 6.2.
55.	CS	CS 6.3	The CS should include a formula for describing risks – similar to that used in the new Corporate Risk Register	Y	Y	Due to … There is a risk that… leading to… was added as a way to typically describe risk.
56.	CS	CS 6.3 STEP 2	The examples given in the Likelihood Table can not be consistently applied across the organisation. It is felt that this would be more detrimental than helpful.	Y	Y	Examples were removed from the Likelihood Table.
57.	CS	CS 6.3 Risk Matrix Table	Discussion that the business takes a more conservative approach to decision sand the Matrix has a slightly heavy exposure to Extreme Risk. Specifically a moderate consequence and Possible likelihood are not going to result in an Extreme Risk to the business	Y	Y	The table was reviewed and reweighted.
58.	CS	CS 6.3 Risk Matrix Table	It is unclear of the stage of the risk that we are trying to capture – is it inherent? Residual?	Y	Y	CS amended to acknowledge that we are capturing both the inherent and residual risk at various points in time.
59.	CS	CS 6.3 STEP 3	The initial paragraph is too wordy – simplify and use direct language.	Y	Y	Reworded.
60.	CS	CS 6.3 STEP 3	The table provided in STEP 3 was cumbersome and unclear.	Y	Y	The table was removed from STEP 3 with information incorporated into the new Risk Matrix Table.
61.	CS	CS 6.3 STEP 3	STEP 3 lacked any guidance on control effectiveness	Y	Y	A table for evaluating control effectiveness was added.

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62.	CS	CS 6.3 STEP 4	Additional guidance is required on when a Risk Treatment Plan is required	Y	Y	The Risk Matrix now provides a clear indication of when a Risk Treatment Plan will be required.
63.	CS	CS 6.3	Amendments required to clarify meaning	Y	Y	Amendments to wording.
64.	CS	CS 6.4	It is not appropriate or practicable to align specific accountabilities to Councillors within the CS	Y	Y	Councillor responsibilities removed.
65.	CS	CS 6.4	Responsibilities need to be updated to reflect changes in the Policy	Y	Y	Amended as required.
66.	CS	General	There is no guidance on how the Risk Management Framework is to be incorporated throughout the business. Who makes the decisions on what types of risks might apply to business units	Y	Y	Risk Management across business processes added.
67.	P	6.0 Policy Statement	The documents reads as though there is a negative connotation associated with risk. The policy statement should highlight maximising returns by accepting risk	Y	Y	Additional wording included to highlight potential positive outcome with accepting risk
68.	P & CS	Whole	The documents should include reference to "unforeseen risk"	Y	Y	Documents now include reference to "unforeseen risk"
69.	P	Whole	"Corporate risks" would be better defined as "strategic risks"	N	N	The Executive Team preferred the use of "Corporate" as this has a connection with the Corporate Plan and reflects past and current terminology.
70.	P	6.0	There should be reference to a commitment to training in the Policy	Partially	Partially	The Policy at 6.0 was amended to include that Council would ensure that adequate training was provided. However this was later amended to focus on ensuring that employees have the "necessary skills and tools" which could include training but also a suite of other measures to assist the business such as informal training like mentoring etc.
71.	CS	6.2	Council's Risk Appetite table should be copied from the Policy into the Corporate Standard	N	N	While the two documents should be consistent there was no appetite from the Executive Team to duplicate the Risk Appetite Table in the Corporate Standard. Governance position – duplication should be avoided where possible.
72.	P & CS	P 6.1 CS 6.3 (Risk Matrix)	The residual risk ratings in the Risk Appetite Table should align with the Risk Matrix Table	N	N	The two concepts i.e Risk Appetite vs Risk Matrix are very different. Risk appetite refers to Council's whole risk portfolio whereas the Risk Matrix Table refers to the rating of individual risks.
73.	CS	Annexure 1 – Consequence Table	The CS should include a definition of each category of risk in the Consequence Table.	N	N	The categories are quite generic and defined by the consequences within the table

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74.	P	P 6.2	Contractors and consultants should have the same requirements with respect to risk as staff	N	Partially	While the policy will apply to contractors and consultants – this must be addressed in their contracts for it to be binding – the responsibilities are also different. Agreed that the P will be a minimum corporate standard.
75.	P	P 6.2	It may be unreasonable to hold volunteers/committees to the same standard as consultants and contractors	Y	Y	Volunteers if performing work on Council land should adhere to Council's risk management policy. Guidance/Education will be required. Also needs to be reflected in any contractual documents. Committees have been removed.
76.	P	P 6.0	The Policy could details on the identification and management of risks	N	N	The CS is more appropriate to capture the business' methodology around the identification and management of risk.
77.	CS	CS 6.2	What happens when the residual risk exceeds Council's risk appetite	N/A	N/A	The treatment of residual risk is dealt with in CS 6.3. Council's risk appetite refers to the risk appetite of an entire portfolio and will be regularly reviewed to inform whether Council needs to invest more in risk treatments or should cease some high risk activities. Alternatively whether Council should take more risk in pursuit of its goals and objectives.
78.	CS	CS 4.0	The documents should reference Council's Business Continuity Plan	N	N	Council's Business Continuity Plan is a way of mitigating risk and should be consistent but does not require reference as a related document in the Policy or Corporate Standard.
79.	CS	CS 6.2	Safety should be reflected as applying a higher standard	N	N	Council's appetite for safety related risk is contained within the Policy (Risk Appetite Table)
80.	CS	CS 6.3	The CS only provides very high level information on the risk management process. There should be more information to allow business units to implement the risk management process.	N	N	The CS is designed to establish an organisation wide approach to risk management. As part of the implementation of the P & CS workshops will be held with respective business units to develop procedures and providing training in risk assessment/management.
81.	CS	CS 6.3 – STEP 1	Suggestion to add additional risk identification methods that are currently used within the business	Y	Y	Additional examples of risk identification methods have been added.
82.	CS	CS 6.3 – STEP 2	Examples/descriptions should be added to Table 1 – Likelihood	N	N	Feedback originated in the Leaders Risk Representative Group workshop. Executive Team direction not to add descriptors as it was very difficult to establish reasonable examples that applied across the business. Determined that this could be addressed in training.

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83.	CS	CS 6.3 – STEP 2	Attachment 1 – Consequence Table :The "Negligible" financial impact should be reduced to $50,000	N	N	Financial levels was set in consultation with the General Management of Finance Governance & Risk and approved by the Executive Team during the Risk Management Workshop. The financial levels set giving consideration to the impact that such a consequence would have on the organisation.
84.	CS	CS 6.3 – STEP 2	Attachment 1 – Consequence Table: Headings require amendment to clarify what Council is talking about and to align with risk appetite headings	Partially	Partially	It was agreed that for consistency the Corporate Risk Categories and the Consequence Categories should be the same. The first draft included additional risk categories of Community, Our People, Asset Management, Operations, Our Region. These were later consolidated during consultation with the Executive Team.
85.	CS	CS 6.5	The CS should refer not only to responsibility but accountability – a better approach would be to consider the RACI (Responsible, Accountable, Consulted, Informed) model	N	N	The Executive Team were satisfied with a more simpler responsibility table.
86.	CS	CS 6.3	The CS does not take into account prioritisation of risk	N	N	Prioritisation in risk management occurs through the treatment process and will be dependent on the residual risk rating, risk tolerance and risk appetite.
87.	CS	CS 6.3 – STEP 2	Attachment 1 – Environmental consequence descriptors require simplification and clarity. Should not refer to "environmental harm" as there is potential to confuse this with the Environmental Protection Act.	Y	Y	Current descriptors have been simplified and do not refer to environmental harm.
88.						