



CITY OF MONASH

Enterprise Risk & Opportunity Management Framework

Monash City Council

Version 3 February 2020

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Preface

Monash City Councils' 2017-2021 Council Plan (the Council Plan) outlines the activities and priority projects to assist with delivering services to ensure our city continues to be a popular place to live, learn, work and play.

The Enterprise Risk & Opportunity Management Framework (ER&OMF) is a key component of Council's governance arrangements. It is the structure upon which the risks, opportunities and other information that may impact the achievement of Council's goals and strategies are identified and managed. Through the ER&OMF, risk management practices can be applied consistently right across Council which enables Council to confidently make decisions that are timely, informed and cognisant of the factors that may impact the success of the Plan.

The ER&OMF is based upon the International Risk Management Standard (adopted here in Australia) ISO 31000:2018, (the Standard) which outlines the approach to risk management that is followed in both the public and private sectors in Australia. The ER&OMF outlines the arrangements for designing, implementing, monitoring, reviewing and continually improving risk management across all Council activities.

This framework applies to all operational areas of Council, including Councillors, Council staff, contractors and volunteers undertaking any function for or on behalf of Council.

Purpose

The key purpose of the Enterprise Risk & Opportunity Management Framework is to assist Council achieve its goals and objectives in delivering programs and services as outlined in the Council Plan.

Councils' approach to risk management is designed to:

- Support the Councillors, Executive and Management to confidently make informed decisions based on organisational policy, values and appetite
- Assist Council to achieve organisational objectives through the systematic and timely identification and management of risks and exploitation of strategic opportunities
- Consistently manage the effects of uncertainty through the application of robust risk management practices
- Promote compliance with relevant obligations
- Create and protect value by targeting effort and resources to the areas of highest priority.

The application of the Enterprise Risk & Opportunity Management Framework will assist with:

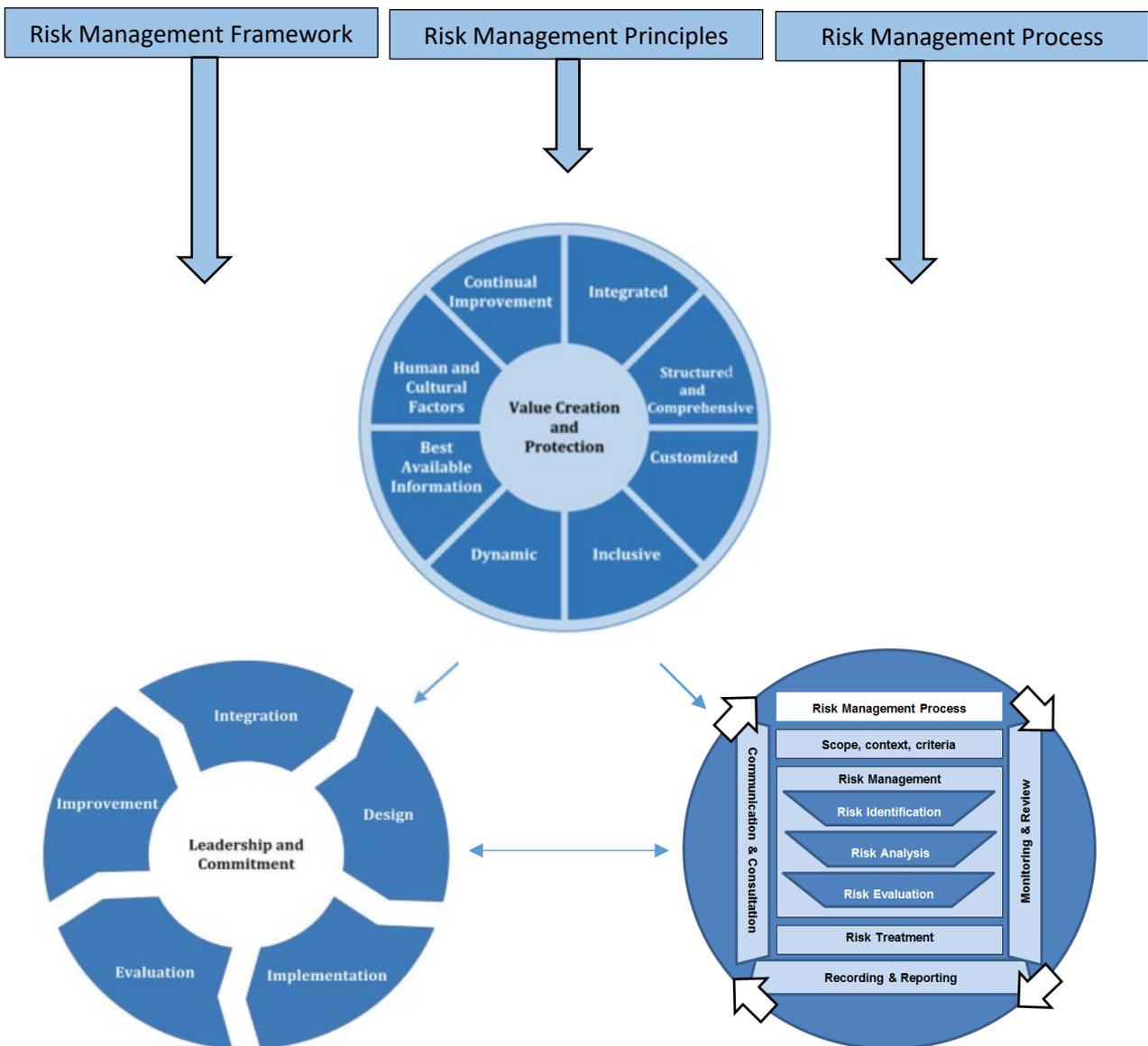
- Achieving the objectives of the Council Plan
- Protecting people, assets, finances and Council reputation
- Taking risks in accordance with approved policies and values
- Adopting risk treatments that are fit for purpose, cost effective and designed to reduce risk to a tolerable level
- Embedding a culture that promotes awareness and accountability for risk so it becomes a key part of decision making at Council.

Principals, Components and Procedures of the Enterprise Risk & Opportunity Management Framework

Risk & Opportunity is defined as ‘something happening that may have an impact on the achievement of objectives’.

Risk & Opportunity Management describes the planned and systematic approach used to identify, evaluate and manage the whole range of business risks and opportunities facing the Monash City Council.

Councils’ approach to Risk & Opportunity Management is underpinned by the principle that risk management is the responsibility of all: Councillors, Executive, Managers, Coordinators, officers, contractors, volunteers etc.



Source ISO 31000:2018

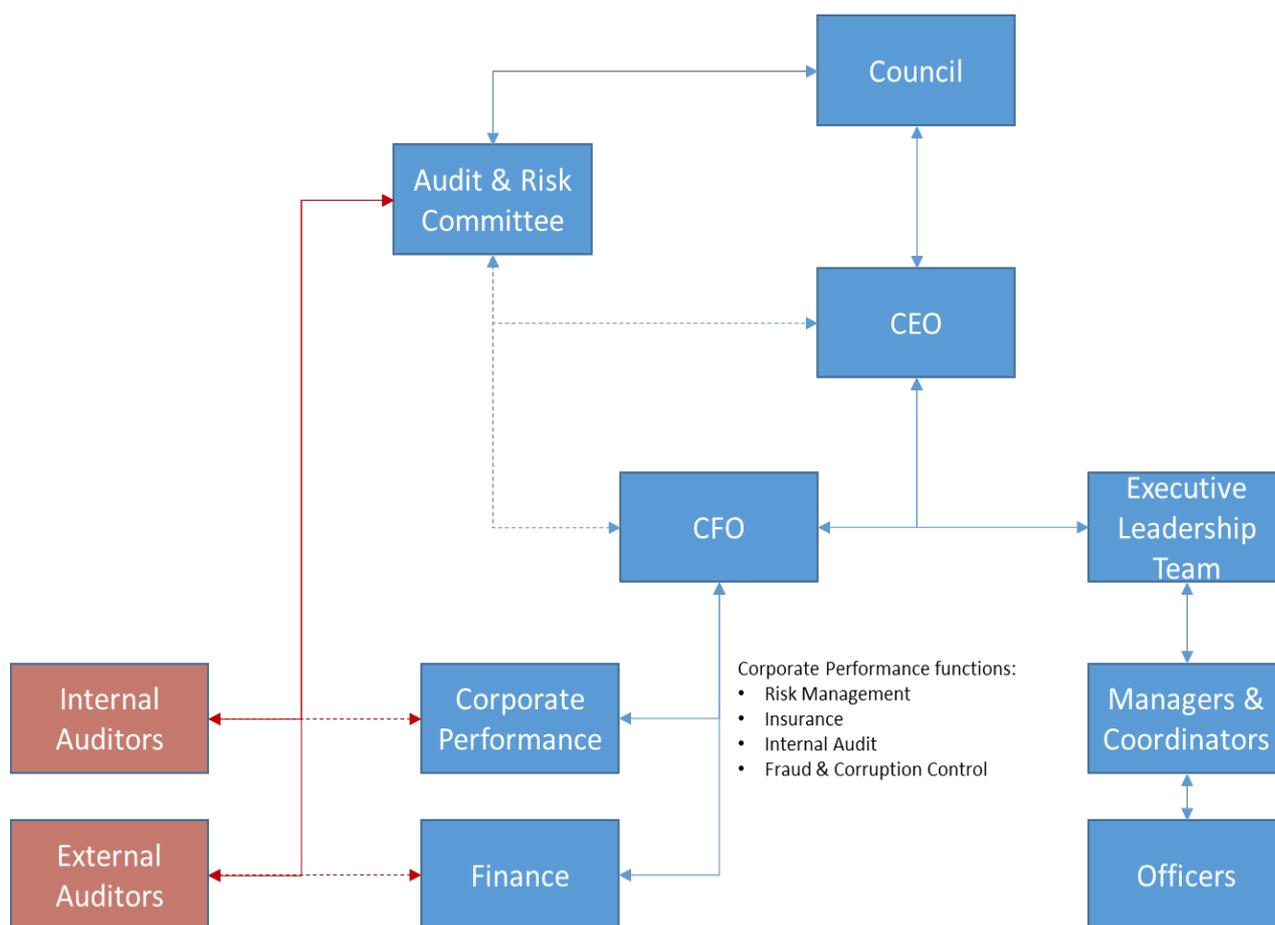
This Enterprise Risk & Opportunity Management Framework is founded upon the International Risk Management Standard – ISO 31000: 2018 (the Standard). The nine principles from the Standard are the characteristics of effective risk management and is the basis upon which risk is managed at The City of Monash.

Risk Management Governance Structure

Council’s risk governance structure is a component of the overall organisational structure. It represents the accountability and responsibility for risk, reporting lines for risk information and risk escalation path.

It starts with the Councillors and cascades through management and all levels of staff. Oversight of risk is achieved through the Audit and Risk Committee with independent assurance from the internal audit function.

High level overview of structure



Risk Management Committee

Membership of the Risk Management Committee comprises of the Executive Leadership Team, Manager Corporate Performance and Coordinator Risk Management and Insurance. The committee meets bi-monthly to:

- Review the Strategic Risk Register
 - noting any changes to causes, consequences and controls
 - considering further mitigating strategies
 - considering changes to the Register due to emerging risks or effective control of existing risks
- Discuss new and emerging risks
- Review the Operational Risk Register
 - reviewing the management of any Extreme or High Operational risks
 - review the effectiveness of 'organisational 'controls
- Review Risk & Opportunity Management Framework
- Review risk management culture

Risk Management Function

Council's risk management function is comprised of a Coordinator Risk Management and Insurance (CRMI) who reports to through the Manager Corporate Performance to the Chief Financial Officer to the Executive Leadership Team.

The Coordinator of Risk Management and Insurance is not primarily responsible for the management of risks but is responsible for supporting all Business Units in managing risks for which they have ownership.

Responsibilities include:

- assisting senior management to develop, implement and maintain the risk management framework
- Has an appropriate level of operational independence as a second line of defence function
- Has the right capability and capacity that is fit for councils purposes
- Has the necessary access to business units, management and staff to conduct their risk management activities and has appropriate reporting lines through to the Audit and Risk Committee.

The CRMI role has no operational business line responsibilities and is fully independent. Key responsibilities are facilitating regular risk profiling, enterprise risk reporting and maintenance of the ER&OMF and risk register, working with Council divisions to assist and advise on the application of the ER&OMF.

Roles, responsibilities and accountabilities

The roles and responsibilities for risk management at Council are specified in this policy, committee charters and individual position descriptions.

Roles and responsibilities for risk management

Personnel	Accountabilities and responsibilities
Council	<ul style="list-style-type: none"> Oversight of risk management at Council. Oversight of the Audit and Risk Committee.
Chief Executive Officer	<ul style="list-style-type: none"> Overall accountability for risk management. Setting and role modelling the tone, culture and expectations for risk management and governance activities. Ensuring resources for risk management activities are adequate for Council purposes. Setting appropriate delegations for the risk management functions.
Audit and Risk Committee	<ul style="list-style-type: none"> Independent review and oversight of Council's governance, risk management and control activities. Oversight of the internal audit function.
Internal audit	<ul style="list-style-type: none"> Risk assurance as to the effectiveness of the operation of controls that mitigate risks to the Council, Audit & Risk Committee and CEO through execution of the internal audit plan.
Executive Leadership Team (ELT)	<ul style="list-style-type: none"> Accountable for approval, ownership and management of strategic risks. Accountable for approval, ownership and management of operational risks in their respective areas of responsibility or as delegated by the CEO. Role modelling the tone, culture, risk appetite and expectations for risk management and governance activities. Accountable for the risk management performance of staff in their respective areas of responsibility.
Coordinator Risk Management and Insurance	<ul style="list-style-type: none"> Leading the risk management function. Developing and implementing an enterprise risk & opportunity management framework that is fit for purpose. Risk reporting to the Audit and Risk Committee. Supporting ELT and Managers to manage their risks through: <ul style="list-style-type: none"> Provision of risk management advice and guidance to staff; Maintenance of the enterprise risk & opportunity management framework.
Managers & Coordinators	<ul style="list-style-type: none"> Accountable for the management of risks in their respective areas of responsibility. Accountable for risk assessments and completion of risk actions in their respective areas of responsibility. Role modelling the tone, culture and expectations for risk management and governance activities. Accountable for the risk management performance of staff in their respective areas of responsibility.
All staff and contractors	<ul style="list-style-type: none"> Applying sound risk management practices in accordance with Council policies and frameworks and this enterprise risk & opportunity management framework. Seek guidance and support from Coordinator Risk Management and Insurance.

Risk Assurance

Three lines of defence

Council operates a 'three lines of defence' (3LOD) model to actively manage, monitor and oversee risk. This model comprises:

First Line of Defence - Operational management, including divisional staff and management.

The first line of defence owns the risks attributable to their area of responsibility and are accountable for the appropriate management of risk and the effectiveness of risk controls. It is imperative that management understand and accept their accountability for owning and managing their risks. This accountability cannot be delegated to another function, such as the Risk Management team.

Second Line of Defence - Enterprise risk, Finance, Governance.

The focus of the second line of defence is on managements testing of 1st line controls (independent of the operational unit): ensuring first line controls are in place, properly designed, operating as intended and governance of controls is effective. As part of this assessment, controls are reviewed and improvements recommended to operational units and overall trends reported to senior management.

Third line of defence – Internal Audit (IA)

The Internal Audit and External Audit functions' are independent of management and hold no operational responsibilities. IA's primary role is to provide objective and independent assurance to the Council Committee, the Audit and Risk Committee and senior management over the effectiveness of internal controls, risk management and governance activities.

Assurance activity is guided by the internal audit plan. It is an efficient use of resources to integrate risk management into the IA plan. That is, the IA plan takes into consideration Council's risk profile and targets assurance activities towards higher rated risks and/or matters of high priority to management. The internal audit plan avoids duplication where possible and takes into consideration the assurance activities performed by independent parties such as external audit, VAGO, external consultants, or a "risk and control self-assessment" performed by divisional management.

Components of the Three Lines of Defence model

First Line of Defence	Second Line of Defence	Third Line of Defence
All management in the Monash City Council directorates <ul style="list-style-type: none"> Executive Office Community Development & Services Corporate Services City Development Infrastructure 	<ul style="list-style-type: none"> Enterprise Risk Management Financial Services People & Culture Legal Counsel Strategic Procurement Self-assessments against relevant Integrity Agency reports 	<ul style="list-style-type: none"> Internal Audit External Audit <p>Note that <u>internal</u> audit are separate to <u>external</u> audit whose role is to review the integrity of Council’s financial records.</p>

Integration of Risk into Council activities



Source ISO31000:2018

1-Leadership and Commitment

Accountability for risk is promoted through the Councillors, CEO, Audit and Risk Committee and Executive Leadership Team and endorsed through the Risk Policy and the Risk & Opportunity Management Framework. Further the risk appetite (to be adopted) demonstrates Council’s commitments and philosophy for risk management.

Council’s leaders are measured on their commitment to risk management through their position descriptions. Staff are measured through their application of, and adherence to, the ER&OMF.

As noted in Roles and Responsibilities, leaders are accountable for setting the tone

2-Integration

In an integrated risk management framework, risk management activities and practices are incorporated into the everyday business as usual activities. These practices work in conjunction with Council’s policies, values and culture. The intention is not to “bolt on” risk considerations to existing processes, but to blend in risk considerations in a way that risk is part of the business as usual (BAU) processes, and is a value add or can assist to prevent value destruction.

Key council activity	Example of where or how risk management is integrated
Strategic planning	Risks to the delivery of the Council Plan
Project development and Service delivery oversight (both corporate centre and community initiatives) to agreed levels	Business case development Status monitoring and oversight Performance reporting
Internal audit plan	IA plan is targeted towards higher rated risks and/or matters of high priority to management.
Procurement	Value for money considerations Supplier due diligence Contract management
Information security	Information privacy Protection of data and information systems from cyber threats
Data management	Model risk Data validity assessments
Financial management	Financial risk management framework Financial delegations based on seniority and job description
Executive and Audit and Risk Committee oversight	Regular reporting of risk profile and related activities All papers include assessment against Council’s risk appetite statements.
Recruitment and human resources	Candidate background checks and due diligence Performance management
Compliance	Monitoring of activities against compliance obligations
Business planning	Financial, capability and delivery risks in change activities
Operational processes	Design of process steps
Occupational Health & Safety (hazard management)	Threats to staff and visitor health and safety across Council activities
Business continuity	Development and testing of plans designed to continue operations in the event of business interruptions
Emergency management	Development and testing of EM procedures
Policy development	Risk considerations in every policy developed and reviewed
Risk profiling	Frequent identification and assessment of risks across council activities

3- Design

This ER&OMF considers, amongst others, Council's role in the community, its obligations, objectives and business processes, to create an ERMF that is tailored to suit Council's needs and operating environment (it is fit for purpose). As demonstrated in this document, the ER&OMF has assigned roles accountabilities and resources for risk management and the channels for risk consultation are described in the separate *Risk Procedures*.

4- Implementation

The Risk Strategy and related timeline outlines the key risk management activities intended to ensure there is an appropriate design, maintenance and application of the framework that is efficient, value add and fit for purpose.

5-Evaluaton

Risk management performance is assessed through feedback on the design, execution and outcomes of risk profiling and reporting activities, implementation of risk tools into the BAU and People and Culture performance management in accordance with Council's Risk Appetite.

6- Improvement

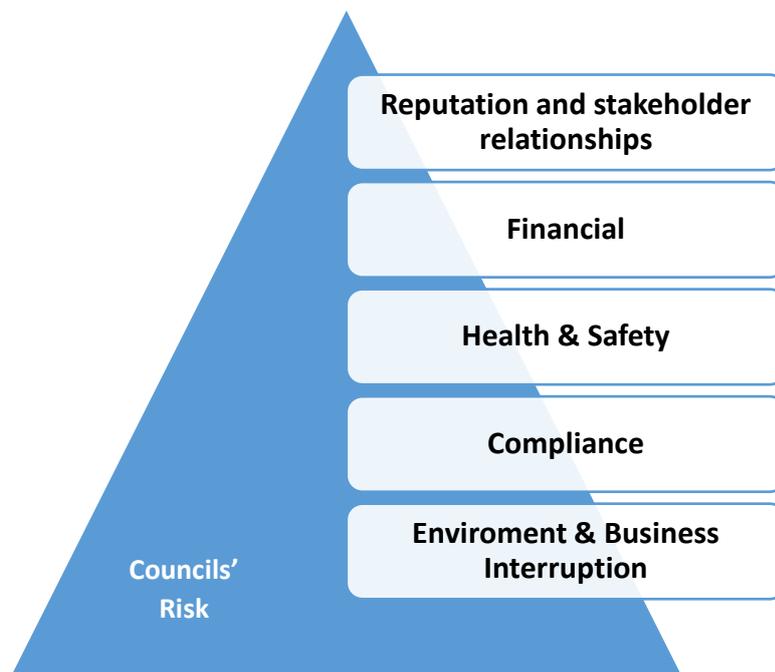
The ER&OMF and associated components are reviewed on a periodic basis to ensure they remain current, reflect better practices and are fit for purpose.

The Audit and Risk Committee provides endorsement of the ER&OMF components outlined in this document.

Risk Categories

There is value in analysing trends in risks - it helps management to understand the root cause of weaknesses in Council procedures and controls and helps to direct risk mitigation effort towards the most significant matters.

The categories of risk are a basis for aggregating, analysing and reporting risk trends. Most risks on Council's profile will have a correlation to one or more of the categories below, which align to the risk rating table.



Risk Appetite

Risk appetite represents how much risk Council is willing to take on to achieve our strategies and objectives. The risk appetite statement (RAS) is a shared understanding of what is acceptable and unacceptable risk taking in each of the areas of Council's business. This statement helps to avoid personal perceptions and biases that can adversely influence risk based decisions.

Our overarching RAS is approved by the Audit and Risk Committee.

Risk appetite statement

Monash City Council is committed to building a flourishing community through effective partnerships, engagement, equitable and efficient delivery of the Council Plan. We aim to create an organisation and a community that is resilient to risk and is prompt to recover in the event of adversity.

To achieve our goals we are prepared to take on measured risk and will do so with informed decision-making practices. We will address uncertainty through open and frank discussions to identify and manage risk and avoid personal perceptions and biases from hindering our objectivity. We accept that we won't always achieve our goals as planned, but we apply sound risk management processes to the best of our ability to reduce the likelihood and impact of risks becoming loss events.

We will embed risk thinking into our everyday activities to help us to consider what could go wrong, and what must go right, before committing to an action that impacts the better interests of our organisation and our community.

Risk appetite is a key consideration in all papers to the Executive Leadership Team, the Audit and Risk Committee and the project steering committee. Every paper includes a statement how the matter being addressed, or the decision being requested, has been assessed for risk against Council's approved risk appetite statement, where possible.

Risk rating matrix

The risk rating matrix is a tool designed to help analyse risks and prioritise them for treatment and reporting. It reflects the materiality of a risk in accordance with pre-defined consequence and likelihood criteria that are aligned to key categories of Council risk.

The matrix is pitched at a Council-wide level to maintain a consistent perspective of risk management across all staff and divisions. A risk can be aligned on a *best fit* basis to any of Council's *Categories of risk* and does not need to be consistent with all impact statements.

Monash City Council Enterprise Risk & Opportunity Management Framework

CONSEQUENCE	RISK CATEGORY	IMPACT	LIKELIHOOD	RARE May occur once a decade	UNLIKELY May occur in five to ten years	POSSIBLE May occur within five years	LIKELY May occur within 1-2 years	ALMOST CERTAIN May occur within next few months
CATASTROPHIC	Reputation & stakeholder relationships Financial Health & safety, HR Compliance Environment & business interruption/IT	Community, State Government and media outrage, key relationships broken down Financial impact >\$5mil Fatality Regulatory investigation, legal action, fines and penalties imposed Uncontrolled spread of toxic pollutants. Building destroyed and BCP invoked. System downtime expected for >2 weeks and DR invoked		High	High	Extreme	Extreme	Extreme
MAJOR	Reputation & stakeholder relationships Financial Health & safety, HR Compliance Environment & business interruption/IT	Widespread community concern , adverse media coverage, key relationships severely damaged Financial impact \$1mil - \$5mil Injury or illness requires emergency response, hospitalisation Reportable breaches and regulatory investigation at Council level Spread of toxic pollutants is widespread. Building severely damaged and BCP invoked. Systems downtime is widespread and DR invoked		Moderate	High	High	High	Extreme
MODERATE	Reputation & stakeholder relationships Financial Health & safety, HR Compliance Environment & business interruption/IT	Well publicised community concern, limited media coverage and some key relationships strained Financial impact \$250k - \$1mil Injury or illness requires prompt first aid, medical treatment and sick leave Breach of regulatory requirement at Council level Spread of pollutants is broad but controlled. Building damage and systems interruption is localised and BCP/DR is not invoked		Moderate	Moderate	Moderate	High	High
MINOR	Reputation & stakeholder relationships Financial Health & safety, HR Compliance Environment & business interruption/IT	Community concern is voiced locally, key relationships not impaired Financial impact \$50 - \$250k Injury or illness requires minor medical treatment , limited sick leave In-house policy breaches by individual staff members Spread of pollutants is localised and contained. Asset or building damage and systems interruption is limited and BCP/DR is not invoked		Low	Moderate	Moderate	Moderate	High
IN-SIGNIFICANT	Reputation & stakeholder relationships Financial Health & safety, HR Compliance Environment & business interruption/IT	Negligible community concern and impact to public image Financial impact <\$50k Insignificant injury, no first aid or sick leave Minor breach of in-house policy by individual staff members Spread of pollutants is minimal or tightly contained. Asset damage and system interruption is negligible		Low	Low	Low	Moderate	Moderate

Risk escalation criteria

Risk escalation criteria is the standard upon which risks must be notified in accordance with the materiality of the risk, as ranked in accordance with the risk rating table. It gives the people deemed accountable for the risk every opportunity to address the risk in a timely manner and reduce the likelihood of the risk becoming an event.

	Risk tolerance and escalation	Risk treatment and monitoring
Extreme	Risk is far outside of tolerance levels. Escalate immediately to executive management.	Requires immediate treatment to commence within 1 week, with ongoing executive oversight.
High	Risk is outside of tolerance levels. Escalate promptly to senior management.	Requires prompt treatment to commence within 2 weeks, with ongoing senior management oversight.
Moderate	Risk is on the tolerance boundary. Escalate to management.	Treatment plan to commence within 4 weeks with regular oversight from senior management.
Low	Risk is within tolerance boundaries but outside of the preferred operating range.	Treatment options and oversight plan to be developed with management.

The Risk Profile

Council's risk profile considers the *internal context* i.e. matters emanating from within Council activities, and the *external context* which are matters influencing Council activities such as state government policies.

The risk team coordinates strategic and operational risk profiling activities on a 6 monthly basis. Projects outside of this undertake risk assessments on an as-needs basis.

Council's risk profile is comprised of:

Strategic risks	Strategic risks are risks to the delivery of Council objectives, mission and Council's Strategic Plan.
Operational risks	Operational risks will be encountered in everyday business activities. i.e service delivery and project management.
Emerging risks	Emerging risks are not currently on the risk register but require periodic monitoring and review.

Risk Register

The Strategic Risk Profile and Operational Risk Profiles are stored in the corporate reporting software, Pulse. All Managers and Executive have access to Pulse and provide reports quarterly. Pulse is used to record risks, record and monitor treatment activities, assign responsibility for treatments, monitor treatments, record control effectiveness assessments and generate risk reporting. Key fields in the risk register are:

- **Risk** – What could happen and how serious could it be?
- **Causes** – Why/how could the risk event happen?
- **Controls in place** - What is in place to mitigate/manage the risk?
- **Control effectiveness rating** – When was the control last reviewed and how effective was it at managing the risk?
- **Current risk rating** – Given the effectiveness of risk controls, how significant is the risk now?
- **Treatment** - What more needs to be done to manage the risk to within tolerance levels? Depending on the materiality of the current risk exposure, there are several risk treatment options available:

Refer to *Risk & Opportunity Management Procedures* for further detail on the risk profile review process.

Control Effectiveness

The key purpose of a control is to ensure that processes, procedures, decision or risk mitigation activities operate as expected. For example, an automated control is designed to prevent unauthorised system access every time someone attempts to logon. Failure to enter approved login details into an approved computer will prevent the user from accessing the system.

Controls can be designed to:

- **Eliminate the risk** by stopping the risky activity
- **Substitute** the risky activity with a *less* risky or alternative activity
- **Isolate** processes (or people) from the risk
- **Engineer the risk** at its source by redesigning the process
- **Administer the risk** through policies and procedures
- Provide protection through **personal protective equipment** (for safety purposes only)

Controls are effective when:

1. The control design appropriately addresses the risk, and
2. The control works as expected, every time.

However, not all controls are automated and may not always be fully effective. This is particularly relevant where a specific human action is required, and by nature this is subject to the reliance of the human operating that control fully and in accordance with the control design, every time.

An assessment of control effectiveness across a division or category of risk can identify targeted control weaknesses or underlying cultural issues. For example, a series of control review status not updated/reported on or requiring improvement for a long period may indicate a risk awareness or risk accountability issue in the first line. This is a trigger for further risk mitigation activity.

Accountability for control effectiveness sits with the first line of defence. Responsibility to undertake this may be undertaken by management or delegated to the second or third line functions.

Control effectiveness ratings

Control operating effectiveness is categorised as follows:

Effective:	Controls are appropriately designed to mitigate the risk to an acceptable level. Controls address the root causes and management has strong evidence that controls are working reliably as expected.
Adequate:	Controls are designed appropriately to mitigate risk to an acceptable level. The control is monitored on an ad hoc basis and evidence indicates the control should be working as expected.
Improvement Required:	While controls are largely addressing root causes of the risk, evidence indicates the controls are not fully implemented or are not operating reliably and hence risk is not being reduced to an acceptable level. Additional work is required to improve control implementation and reliability.
Poor:	Reviews on control effectiveness are limited or are not performed. Where available, evidence indicates that risk mitigation strategies are not working as expected due to poor control design and/or limited operating effectiveness.

Risk treatment options

Decision	Indicators
Avoid the risk	Decide not to proceed with the policy, program or activity or choose an alternate means of action as it is outside our tolerance level.
Accept the risk	<p>Council has made a conscious decision not to treat the risk, because:</p> <ul style="list-style-type: none"> a) The cost of controlling the risk outweighs the benefits (reduced likelihood and consequence) of controlling the risk, or b) There are no effective controls available to reduce or eliminate the likelihood or consequence of the risk. <p>Where any risk ranked moderate or above are accepted, justification of acceptance is required and a record included in the relevant risk register system.</p>
Treat the risk	Decide to apply controls or other mitigating activities designed to reduce the likelihood and/or consequences of the risk event occurring.
Transfer/share the risk	Share the responsibility with another party such as an insurer/contractor who shares the consequences if the risk event were to occur.

Risk Culture

Council's risk culture does not sit separately or alongside the organisational culture. It is a component of the organisational culture that illustrates how risk awareness, accountability and attitudes are applied at The City of Monash.



Source: Victoria Government Risk Management Framework Practice Notes – Risk Culture

Risk culture takes the inherent values and beliefs of individuals and translates this through the ER&OMF into risk behaviours that reflect Council's attitude for risk.

Embedding risk behaviour into process mechanisms leads to a sustainable risk culture. It enables us to confidently perform daily operations and make informed decisions knowing that the risks impacting our work have been rigorously assessed and appropriately mitigated.

However, with changes in strategic direction, organisational priorities, funding availability and inevitable turnover of staff, risk values and capability can often be eroded. To mitigate this risk, Council's approach is to embed risk culture into the mechanisms of our operating environment to help ensure risk behaviours are repeated, sustained and positively impact our organisation and community.

Risk culture at the City of Monash is evident through our:

- Code of Conduct
- Adherence to our Delegated authorities
- Values
- Charters and Terms of Reference
- Meeting minutes
- Induction and training programs
- Position descriptions
- Performance reviews
- Risk profiling agendas and participation
- Audit programs
- Risk recording and reporting

Risk Reporting

The freedom to record, report and openly discuss risks without fear of blame or reprisal is a key measure of our attitudes towards risk at Council. This attitude is reflected in our risk appetite statement.

Opportunities to discuss risk matters in an open and transparent environment are available during risk profiling sessions.

Reporting requirements:

Under the Local Government Performance Reporting Framework, there is an expectation that Council generates a six-monthly report of strategic risks to Council’s operations, including their likelihood and consequences of occurring and risk minimisation strategies.

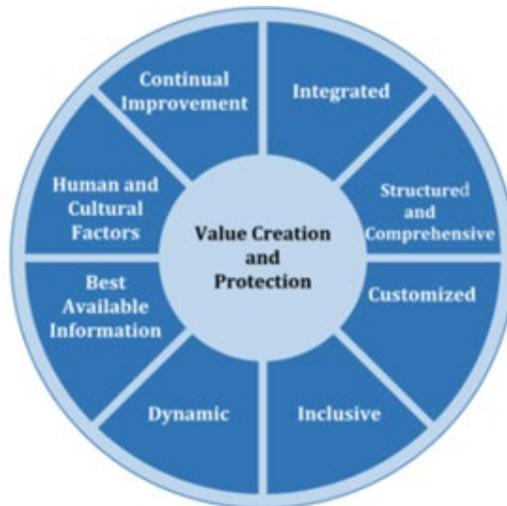
Risk reports are designed to help management address uncertainty and aid decision-making. By understanding what could go wrong and what must go right, management can determine a course of action to effectively manage risk.

Risk reporting is performed according to the needs of the recipients, but the content is a reflection of Council’s risk culture. Our reports are generally exception based and can include any of the following:



Review Date: November 2021

Appendix A: Reconciliation: Principles of the risk management framework



Source ISO31000:2018

The below table reconciles the nine principles in the standard ISO 31000:2018 against Council's application of the principle:

Risk principles reconciliation

Principle	Council's application
1. Creates value and protects assets	The objectives of risk management at Council are outlined in this document, section: <i>Objectives for Council's management of risk.</i>
2. Is integrated into Council's daily activities	Per the key processes listed in this document, section: <i>Integration of risk into Council activities.</i>
3. Is structured and comprehensive	This framework outlines the structure for managing risk across the key Council processes.
4. Is customised to Council's internal and external context	Risk management activities reflect Council's operating environment, reporting lines, governance structure, key stakeholders and cultural environment and is cognisant of risk management capacity and capability.
5. Is inclusive of a range of perspectives from key stakeholders	Periodic strategic and operational risk profiling, risk reporting and oversight activities capture a range of risk perspectives from a range of staff.
6. Is dynamic and is responsive to organisational change	Risk integration and profiling activities are dynamic and scheduled to align with key activities in Council's business cycle (e.g. profiling scheduled to assist in development of the Council strategy and annual business plan).
7. Is based on best available information	Risk information is based on the contemporary views of key stakeholders, research and advice and is applied to ERM processes such as risk identification and profiling activities and maintenance of the ERMF.
8. Takes human and cultural factors into consideration	Risk culture is a subset of Council culture. This framework is a consensus view of how risk is managed at Council.
9. Facilitates continual improvement through learning and experience	The Risk Strategy outlines Council's approach to ongoing risk improvement activities.

