

RANGITĪKEI DISTRICT COUNCIL

Rautaki Whakahaere Tūraru

Risk Management Strategy

2026-2029

make this place home



RANGITĪKEI
DISTRICT COUNCIL



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Draft Risk Management Strategy

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1. Background & Purpose

Rangitikei District Council (RDC) recognises that effective risk management is fundamental to good governance, informed decision-making, prudent stewardship of public resources, and the achievement of Council's strategic objectives. This Risk Management Strategy establishes the overarching framework for identifying, assessing, treating, monitoring, and reporting risks that may affect Council's ability to deliver services, fulfil its statutory responsibilities, and achieve positive outcomes for the Rangitikei community. ¹

The strategy provides a consistent and integrated approach to risk management across all Council activities, ensuring that risk considerations are embedded within strategic planning, operational decision-making, project delivery, and organisational performance. It establishes the governance principles and processes that underpin Council's Risk Management Framework. ²

This Strategy is the foundation of Council's Risk Management Framework and is supported by the RDC Risk Appetite & Tolerance Policy, which defines the level of risk Council is prepared to accept in pursuit of its objectives. The Risk Appetite & Tolerance Policy, in turn, informs the Strategic Risk Register, which records Council's strategic risks, controls, treatments, and monitoring arrangements. Together, these documents provide a consistent and integrated approach to risk governance across the organisation. ³

This Strategy aligns with the principles of AS ISO 31000:2018 Risk Management – Guidelines and supports Council's obligations under the Local Government Act 2002, while also recognising good practice guidance issued by the Office of the Auditor-General and Audit New Zealand. ⁴

Council recognises that risk is inherent in delivering public services, infrastructure, and community outcomes. Effective risk management is therefore not about eliminating risk, but about understanding, managing, and taking informed risks where appropriate to support innovation, resilience, continuous improvement, and the long-term wellbeing of the district. ⁵

This Strategy applies to all elected members, members of Council committees, employees, contractors, volunteers, and any other persons undertaking work on behalf of Rangitikei District Council. It applies across all strategic, operational, project, financial, regulatory, environmental, cultural, cybersecurity, information management, and health and safety risks. ⁶

[References](#)

2. Key Principles

Rangitikei District Council's approach to risk management is founded on the following principles. These principles guide decision making across the organisation and ensure that risk management supports effective governance, organisational resilience, and the achievement of Council's strategic objectives. ¹

Council's risk management framework is based on the following principles:

- Risk management creates and protects value.
- Risk management is integrated into organisational activities and decision making.
- Risk management is systematic, structured, and timely.
- Risk Management supports informed decision making by balancing risk and opportunity.
- Accountability for managing risk rests with those responsible for making decisions and delivering outcomes.
- Risk management is embedded with strategic planning, financial management, operational activities, and project delivery

These principles underpin the Risk Management Framework and guide the development of the Risk Appetite & Tolerance Policy, and the Strategic Risk Register. ²

Council will apply these principles consistently across all areas of its operations, including emerging and evolving risks.

[References](#)

3. Governance and Responsibilities

Effective risk management relies on clear governance, defined responsibilities, and accountability at all levels of Rangitikei District Council. The Risk Management Framework establishes responsibilities for the governance, oversight, ownership, and management of risk, ensuring that risks are managed at the appropriate level and escalated where necessary. ¹

The following roles and responsibilities support the implementation of this Strategy and ensure a consistent approach to risk management across the organisation.

[References](#)

3.1. Council

Council is responsible for providing governance oversight of Rangitikei District Council's Risk Management Framework and setting the strategic direction in a manner that supports the achievement of Council's objectives, statutory obligations, and long-term sustainability. ¹

Council is responsible for:

- Providing leadership and oversight of risk management practices.
- Approves the RDC Risk Management Strategy 2026-2029 and reviews it three-yearly as part of the Long-Term Plan process.
- Sets Council's overall risk appetite and tolerance levels.

[References](#)

3.2. Risk/Assurance Committee

The Risk/Assurance Committee provides independent oversight of Council's Risk Management Framework and supports Council by monitoring the effectiveness of Risk Management, internal controls, and assurance activities. ¹

The Risk/Assurance Committee is responsible for:

- Providing independent oversight of the Risk Management Framework.
- Reviewing the Strategic Risk Register and significant changes in strategic risk exposure.
- Monitoring the effectiveness of internal controls, assurance activities, and compliance.
- Monitoring emerging strategic risks and significant changes to Council's risk profile.
- Providing advice and recommendations to Council on strategic risk management and governance improvements.

[References](#)

3.3. Chief Executive

The Chief Executive is accountable for implementing and maintaining Council's Risk Management Framework. ¹

The Chief Executive is responsible for:

- Ensuring the Risk Management Framework is implemented across Council.
- Promoting a positive and proactive risk management culture.
- Ensuring appropriate resources, systems, and training are available to support effective risk management.
- Providing assurance to Council and the Risk/Assurance Committee regarding the effectiveness of Council's Risk Management Framework.
- Supporting the Executive Leadership Team in managing strategic risks.

[References](#)

3.4. Executive Leadership Team (ELT)

The Executive Leadership Team is responsible for the ownership and ongoing management of Council's Strategic Risk Register. ¹

The Executive Leadership is responsible for:

- Owning and maintaining the Strategic Risk Register.
- Reviewing strategic risks and emerging risks on a regular basis.
- Ensuring appropriate controls and treatment plans are implemented.
- Monitoring the effectiveness of risk treatments.
- Escalating significant strategic risks to the Risk/Assurance Committee where appropriate.
- Promoting consistent application of the Risk Management Framework across Council.

[References](#)

3.5. Departmental Managers and Team Leaders

Departmental Managers and Team Leaders are responsible for managing operational risks within their areas of responsibility. ¹

Departmental Managers and Team Leaders are responsible for:

- Identifying, assessing, and managing operational risks.
- Maintaining Departmental Risk Registers.
- Implementing and monitoring risk controls and treatment plans.
- Reviewing operational risks on a regular basis.
- Escalating significant or emerging risks to the Executive Leadership Team.

[References](#)

3.6. Project Managers

Project Managers are responsible for managing risks associated with projects throughout the project lifecycle.¹

Project Managers are responsible for:

- Maintaining Project Risk Registers.
- Identifying and assessing project risks.
- Monitoring project risk treatments throughout the project lifecycle.
- Reporting project risks to the relevant Manager and Executive Leadership Team where appropriate.
- Escalating significant project risks in accordance with Council's Risk Management Framework

[References](#)

3.7. All Staff, Contractors and Volunteers

Risk management is everyone's responsibility. All staff, contractors, and volunteers play an important role in identifying, reporting, and managing risks arising from their work activities and are expected to contribute to a positive and proactive risk management culture.¹

All staff, contractors and volunteers are responsible for:

- Identifying and reporting risks arising from their work activities.
- Complying with the Risk Management Framework, supporting policies, and relevant procedures.
- Participating in risk management, incident reporting, and continuous improvement activities.
- Supporting a positive and proactive risk management culture.
- Promptly reporting incidents, hazards, and emerging risks through appropriate reporting channels.

[References](#)

4. Risk Management Process

Risk management is a continuous and system that enables Rangitikei District Council to identify, analyse, evaluate, treat, monitor, and review risks that may affect the achievement of Council's strategic objectives. The process supports informed decision making by providing a structured approach to managing uncertainty and enhancing organisational resilience.¹

The Risk Management Process aligns with the principles and framework of AS ISO 31000:2018 – Risk Management – Guidelines.

[References](#)

4.1. Risk Identification

Risk identification is the process of recognising, describing, and documenting events or circumstances that may affect the achievement of Council's strategic objectives, service delivery, projects, or operational activities. Risks may arise from internal or external sources and may present both threats and opportunities.¹

Risk identification will occur as part of strategic planning, business planning, project management, operational activities, audits, incident investigations, legislative change, environmental scanning, and stakeholder engagement. Particular consideration will be given to emerging risks, including climate resilience, cybersecurity, information management, organisational capability, and cultural partnerships.

Identified risks will be recorded in the appropriate risk register and assigned to a responsible owner for ongoing monitoring and management.

[References](#)

4.2. Risk Analysis and Evaluation

Once identified, risks will be analysed to understand their nature, causes, potential consequences, and likelihood of occurrence. Existing controls will be considered to determine the residual level of risk and the effectiveness of current mitigation measures. ¹

Council will evaluate risks using its approved Risk Matrix to determine level of risk and whether further treatment is required. Risk evaluation considers Council's approved Risk Appetite & Tolerance Policy and determines whether risk can be accepted, required additional treatment, or should be escalated through the framework. ²

Risk assessments will be undertaken consistently across the organisation to support informed decision making and ensuring that strategic and operational risks are prioritised appropriately.

Likelihood/Frequency	Consequence to Council				
	Insignificant	Minor	Moderate	Major	Significant
Almost Certain	Low	Moderate	High	Extreme	Extreme
Likely/Probable	Low	Moderate	Moderate	High	Extreme
Possible	Low	Low	Moderate	Moderate	High
Unlikely	Minimal	Low	Low	Moderate	Moderate
Highly Unlikely	Minimal	Minimal	Low	Low	Low

References

4.3. Risk Treatment

Risk Treatment involves selecting and implementing appropriate actions to manage identified risks. Treatment options include avoiding risk, reducing the likelihood or consequence, transferring the risk where appropriate, accepting the risk within Council's approved risk appetite and tolerance, or pursuing opportunities where the potential benefits outweigh the residual risk. ¹

Risk treatment plans will identify the agreed actions, responsible owner, implementation timeline, and monitoring requirements. Treatment actions will be proportionate to the level of risk and regularly reviewed to ensure they remain effective. ²

All treatment actions for strategic risks will be recorded within the Strategic Risk Register, while operational and project treatments will be maintained within the relevant operational or project registers.

References

4.4. Monitoring and Reporting

Effective monitoring and reporting ensure that risks remain current, controls continue to operate effectively, and changes in risk exposure are identified in a timely manner. Monitoring enables Council to evaluate the effectiveness of treatment actions and respond proactively to emerging risks. ¹

Strategic risks will be monitored by the Executive Leadership Team through the Strategic Risk Register and reported to the Risk and Assurance Committee in accordance with Council's governance and reporting arrangements. Operational and project risks will be reviewed by the relevant managers as part of normal business operations.

Risk reporting will support informed decision making by providing assurance that significant risks are appropriately managed and that emerging risks are identified, escalated, and addressed where necessary.

References

4.5. Communication and Consultation

Effective communication and consultation are fundamental to successful risk management. Council will promote open and timely communication to ensure that relevant risk information is shared with decision makers, employees, contractors, elected members, and other stakeholders, as appropriate.¹

Communication and consultation support informed decision making, encourage a positive risk management culture, and improve understanding of Council's risk appetite, strategic priorities, and responsibilities across the organisation.²

Where appropriate, Council will engage with external stakeholders, including iwi, hapū, partner agencies, contractors, regulators, and the community to ensure that relevant risks and opportunities are identified and considered as part of Council's decision-making processes.

[References](#)

5. Risk Appetite and Tolerance

Council recognises that the achievement of its strategic objectives requires informed decision making about the level of risk it is prepared to accept. Risk appetite and tolerance provide the framework for these decisions by defining the amount and type of risk Council is willing to pursue, retain, or accept in delivering services and achieving community outcomes.¹

The Risk Appetite & Tolerance Policy establishes Council's approved risk appetite and tolerance across the organisation. The Policy provides guidance for evaluating strategic, operational, and project risks and supports consistent decision making when determining whether risks require treatment, acceptance, or escalation.

Council's approved risk appetite and tolerance are applied through the Strategic Risk Register, where strategic risks are assessed, monitored, and reported. Operational and project risks are managed in accordance with the same principles through the relevant operational and project risk registers.

Risk appetite and tolerance will be reviewed periodically to ensure they remain aligned with Council's strategic objectives, legislative obligations, operating environment, and emerging risks. Any significant changes will be considered through Council's governance processes and reflected in RDC Risk Appetite & Tolerance and the Strategic Risk Register.²

[References](#)

6. Risk Categories and Registers

Council maintains a structured system of risk registers to support the consistent identification, assessment, treatment, monitoring, and reporting of risks across the organisation. Risk categories are established in the RDC Risk Appetite & Tolerance Policy and are applied through the Strategic Risk Register, Operational Risk Registers, and Project Risk Registers.

7. Monitoring, Reporting and Review

The effectiveness of Council's Risk Management Framework will be monitored and reviewed to ensure it remains relevant, effective, and aligned with Council's strategic objectives, operating environment, and legislative obligations. Monitoring and review support continual improvement by identifying opportunities to strengthen governance, risk management practices, and organisational resilience.¹

Council will monitor the implementation of this Strategy through regular governance reporting, review of the Strategic Risk Register, internal assurance activities, and ongoing evaluation of the effectiveness of risk controls and treatment actions. Lessons learned from incidents, audits, projects, and organisational reviews will be used to support continuous improvement of the Risk Management Framework.²

The Executive Leadership Team is responsible for monitoring the implementation of this Strategy and recommending improvements where required. The Risk/Assurance Committee provides oversight of the effectiveness of the Risk Management Framework and receives assurance that strategic risks are being appropriately managed.

[References](#)

References

1. Background and Purpose - References

¹ - AS ISO 31000:2018 – Risk Management – Guidelines

- Principle 1 – Risk management creates and protects value.
- Principle 2 – Risk management is an integral part of all organisational activities.
- Principle 3 – Risk management is part of decision-making.
- Clause 5 – Framework

Official publication: <https://www.standards.govt.nz/shop/as-iso-310002018/>

² - AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5 – Framework.
- Clause 6 – Process

³ - AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5 – Framework

⁴ - AS ISO 31000:2018 – Risk Management – Guidelines

Local Government Act 2002 <https://www.legislation.govt.nz/act/public/2002/0084/latest/DLM170873.html>

Office of the Auditor General (2021) <https://oag.parliament.nz/2021/risk-management>

Audit New Zealand <https://auditnz.parliament.nz/>

⁵ - AS ISO 31000:2018 – Risk Management – Guidelines

- Principle 1 – Risk management creates and protects value.
- Principle 4 – Risk management explicitly address uncertainty.
- Principle 5 – Risk management is systematic, structured and timely.

⁶ - AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5 Framework (integration throughout the organisation)

2. Key Principles References

References

¹ - AS ISO 31000:2018 – Risk Management – Guidelines

- Principles of Risk Management
- Clause 4 – Principles

² - AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5 – Framework
- Clause 6 – Process

3. Governance and Responsibilities

References

¹ - AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5 – Framework.
- Clause 5.4 - Integration.
- Clause 6 – Process

3.1 Council

Reference

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5.2 – Leadership and Commitment.
- Clause 5.4 – Integration.

3.2 Risk/Assurance Committee

References

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5.4 – Integration.
- Clause 6 – Risk Management Process.

3.3 Chief Executive

References

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5.2 – Leadership and Commitment.

3.4 Executive Leadership Team

References

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5.4 – Integration.
- Clause 6 – Risk Management Process.

3.5 Departmental Managers and Team Leaders

References

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 5.4 – Integration.
- Clause 6 – Risk Management Process.

3.6 Project Managers

References

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 6 – Risk Management Process.
- Clause 6.5 – Risk Treatment

3.7 All Staff, Contractors and Volunteers

References

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

Principle – Human and Cultural Factors.

- Clause 5.4 – Integration.

4. Risk Management

References

¹ – AS ISO 31000:2018 – Risk Management – Guidelines

- Clause 6 – Risk Management Process
- Clause 6.1 – General

4.1 Risk Identification

References

- ¹ – AS ISO 31000:2018 – Risk Management – Guidelines
- Clause 6.4.2 – Risk Identification

4.2 Risk Analysis

References

- ¹ – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.4.3 – Risk Analysis
- ² – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.4.4 – Risk Evaluation

4.3 Risk Treatment

References

- ¹ – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.5 – Risk Treatment
- ² – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.5 – Risk Treatment

4.4 Monitoring and Reporting

References

- ¹ – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.6 – Monitoring and Review

4.5 Communication and Consultation

References

- ¹ – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.2 – Communication and Consultation
- ² – AS ISO 31000:2018 – Risk Management – Guidelines
 - Principle 3 – Risk management is part of decision-making.
 - Clause 6.2 – Communication and Consultation.

5. Risk Appetite and Tolerance

References

- ¹ – AS ISO 31000:2018 – Risk Management – Guidelines
 - Principle 3 – Risk management is part of decision-making.
 - Clause 5 – Framework.
- ² – AS ISO 31000:2018 – Risk Management – Guidelines
 - Principle – Continual Improvement.
 - Clause 6.6 – Monitoring and Review.

6. Monitoring, Reporting and Review

- ¹ – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.6 – Monitoring and Review
- Principle – Continual Improvement
- ² – AS ISO 31000:2018 – Risk Management – Guidelines
 - Clause 6.6 – Monitoring and Review



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