

1 Purpose

Council recognises that effective Enterprise Risk Management (“ERM”) is essential in supporting the achievement of our strategic goals and objectives. Council is committed to managing enterprise risks diligently.

The purpose of this policy is to:

- meet the requirements of Section 164 of the Local Government Regulations 2012 (Qld) requiring a record to be kept of the:
 - risks Council’s operations are exposed to;
 - extent they are relevant to financial management; and
 - control measures adopted to manage the risks;
- promote the achievement of Council’s strategic goals and objectives through focused whole-of-business enterprise risk management practices with guidance from Council’s Risk Appetite Statement (“RAS”);
- present an integrated approach to enterprise-wide risk management that includes identification, assessment, treatment, reporting and monitoring of risks facing Council; and
- promote an enterprise risk assessment culture.

2 Scope and applications

This policy applies to all Councillors, employees (full time, part time, temporary and casual), affiliates, consultants or contractors.

This policy is supported by and is to be read together with Council’s RAS and supported by 5.25 Enterprise Risk Management Procedure.

3 Principles

Council is guided by the key priorities defined within Council’s Corporate Plan (2024 – 2029):

- 4.7 Knowing and managing our risks.

In addition to upholding the Corporate Plan principles outlined above, Council is committed to upholding the obligations within the *Human Rights Act 2019* by giving proper consideration to the provisions of the Act when making decisions relevant to this policy.

4 Content

4.1 Policy Commitment & Principles

4.1.1 ERM Policy Statement

Risk management is not about eliminating risk, instead, it is about intelligent risk taking. This includes assessing the balance between resources applied to treat a risk and the actual reduction in adverse risk levels.

4.1.2 ERM Principles

Council’s ERM principles are based on ISO 31000:2018 Risk Management – Guidelines and the COSO ERM Framework.

Council will:

- implement and integrate an enterprise-wide risk management approach;
- manage risk in a systemic, transparent, credible manner within the scope of Council’s external and internal contexts;
- establish a reliable basis for pro-active management decision making and planning;

- undertake risk management on the reasonable available information at the time, including historical data, scenario modelling and forecasts, stakeholder feedback, past experience and subject matter expertise;
- establish risk management processes and anticipate and respond to changes and events in Council's internal and external context; and
- continually improving risk management processes and practices.

4.1.3 Council's Risk Appetite Statement

The RAS guides the amount of risk that Council is willing to seek or accept in the decisions made to pursue Council's strategic goals and objectives. Each risk appetite guides management of existing activities and new opportunities. Specific statements and tolerances have been set for each enterprise risk category identified by Council.

4.1.4 Risk-Aware Organisational Culture

Council promotes a culture that is risk-aware and empowers staff to make informed and risk-based decisions in accordance with Council's RAS.

4.2 Enterprise Risk Management Framework

4.2.1 The Framework

Integration of ERM across Council requires a consistent and aligned approach. To do this, Council has established a Framework that is built around the following Risk Categories. These Risk Categories are reflected in Council's RAS and the Risk Matrix, and used for the identification, assessment and treatment of risks.

- Workplace Health and Safety
- Governance / Legal and Regulatory Compliance
- Environment
- Reputation
- Project Delivery
- People and Resources
- Cyber Security and ICT
- Asset Management
- Financial Management
- Service Delivery

The Framework comprises the following elements, all of which are intended to be utilised and followed in all Branches and in all business processes and activities:

- this policy
- Council's RAS
- 5.25 Enterprise Risk Management Procedure
- Council's Enterprise Risk Matrix
- risk identification, assessment and mitigation processes and activities
- risk reviews and monitoring processes and activities
- risk registers and associated systems
- risk reporting processes and activities

4.2.2 Framework Application

The components noted above enable an integrated approach to managing risk. Risks are to be identified and assessed in accordance with the process outlined within 5.25 Enterprise Risk Management Procedure. In addition, the procedure sets out the requirements for the ongoing review, monitoring, and periodic reporting requirements for risks.

4.3 Reporting

The Manager Governance and Legal Services is responsible for preparing a quarterly enterprise risk report no later than 4 weeks in advance of the Audit Committee for the Executive Leadership Team and a quarterly enterprise risk report for the Audit Committee. Material items may also be raised by the CEO in the CEO's Report to Council from time to time.

5 Responsibilities/accountabilities

5.1 All Staff

5.25 Enterprise Risk Management Procedure sets out responsibilities for employees implementing various elements of the ERM process within Council.

5.2 Manager Governance and Legal Services

The Manager Governance and Legal Services is responsible for preparing a quarterly enterprise risk management report for Council.

6 Relevant laws

Environmental Protection Act 1994 (Qld)

Environmental Protection Regulation 2019 (Qld)

Human Rights Act 2019 (Qld)

Local Government Regulation 2012 (Qld)

Work Health and Safety Act 2011 (Qld)

Work Health and Safety (Codes of Practice) Notice 2011 (Qld)

Work Health and Safety Regulation 2011 (Qld)

Water Supply (Safety & Reliability) Act 2008 (Qld)

7 Related policies/documents

Members of the public can access Council policies on Council's website. If a policy listed below does not appear on the website please contact 131 872 or email info@tr.qld.gov.au to request a copy. Staff may access policies via the [Policy Register and Review Schedule](#).

Council policies

5.25 Enterprise Risk Management Procedure

WH&S Policy & Procedure

Other documents

AS/NZS ISO 31000: 2018 Risk Management – Principles and Guidelines

ISO Guide 73:2009 – Risk Management – Vocabulary

AS ISO 19600:2015 – Compliance Programs

Risk Appetite Statement

[Corporate Plan 2024 – 2029](#)

8 Related forms

Not applicable.

9 Definitions

Term	Definition
Affiliate	Any person who is a volunteer worker, or appointed to a Council advisory committee, working group or similar.
Compliance	Ensuring that the requirements of laws, regulations, industry codes and organisational policies and procedures are met
Consequence	Outcome of an event affecting objectives
Event	Occurrence or change of a particular set of circumstances.
Likelihood	The frequency or probability of an event or threat occurring to cause risk to Council
Risk	The effect of uncertainty on objectives
Risk Appetite Statement	Articulates the amount and types of risk Council is prepared to take and what risk Council can actually cope with inside those set parameters
Risk Identification and Assessment	Systematic process of identifying and assessing/evaluating the potential risks involved in an activity or undertaking and put required controls in place to eliminate or reduce the risks
Risk Management	Coordinated activities to direct and control an organisation with regard to risk. Described in the Enterprise Risk Management Framework (“ERMF”).
Risk Management Framework (ERMF)	A set of components elements such as Policy, Procedures, tools, templates, guidelines and practices that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.
Risk Management Process	The systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.
Risk Matrix	Used during risk identification and assessment to define risk as a calculation of the consequence and likelihood categories (refer to ERMF Risk Workbook (XL)).
Risk Register	A record of information about identified risks (refer to ERMF Risk Workbook (XL)).
Risk Reporting	Quarterly reporting to the Executive Leadership Team and the Audit Committee on risk profiles and other information from Branch, Group and Corporate Risk Registers.

Term	Definition
Risk Tolerance	Acceptable level of variation around objectives
Risk Treatment	<p>Risk treatment is the process to modify a risk and can involve:</p> <ul style="list-style-type: none"> • avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk; • taking or increasing risk in order to pursue an opportunity; • removing the risk source; • changing the likelihood; • changing the consequences; • sharing the risk with another party or parties; and • retaining the risk by informed decision
Subject Matter Experts	Group/Branch staff that have specific expertise in risk categories such as Environment, WH&S Contracts/Procurement, Finance & Projects. Personnel engaged to assist to develop risk assessments who can bring knowledge of matters relevant to the risk assessment being developed.

10 Policy details

Policy category:	Council Policy	Policy version number¹:	5.00
Date adopted/approved:	20 August 2024	Effective date:	20 August 2024
Approval authority:	Chief Executive Officer		
Policy Owner:	Governance and Legal Services Branch – Office of the CEO		
Contact officer:	Principal Enterprise Risk Management		
Review date:	August 2027		

11 Revision history

Policy version	Approval date	DM Reference
1.00	19 February 2010	3431228v5
2.00	20 July 2015	5287202v4
3.00	25 May 2017	6894637v2
4.00	14 April 2020	7840755v4

¹ Printed copies are uncontrolled. It is the user's responsibility to ensure that any copies of policy documents are the current issue. Any delegations should be verified via the relevant Delegation Register as it takes precedence if there is a conflict. The Chief Executive Officer will, if necessary, be the sole arbiter in resolving any issues of conflict

Policy version	Approval date	DM Reference
5.00	20 August 2024	11021732v4