

Enterprise Risk Management Policy

Local Government Act 2009



1. Policy Statement

This policy demonstrates Council's commitment to understanding and managing risks in alignment with ISO 31000 Risk Management guidelines, ensuring consistent methods in assessing, monitoring and communicating risks throughout the organisation, aiming to safeguard the community and the Council from potential losses while enhancing decision-making clarity and capitalising on long-term opportunities.

2. Principles

The principles guiding decision-making at Council will consistently follow a risk based approach, and in furtherance of this:

- Council and senior management will review and apply risk appetite and tolerance levels through its Risk Appetite Statement.
- All Council projects will include a risk profile within the business plan, along with an assessment of associated risks and strategies to mitigate those risks.
- Council will integrate risk management into day-to-day operations, providing workers with the necessary tools and guidance documents for effective risk management.
- Strategic, operational and project risks will be identified, ranked and monitored using Council's Enterprise Risk Management Framework.
- Ongoing awareness programs will educate workers on identifying and managing risks.
- Critical components of enterprise risk management, including the risk management strategy, plan, risk appetite and registers, will be implemented through the framework.
- Council commits to continuous improvement in risk management practices, integrating it into decision-making and fostering collaborative engagement between stakeholders and risk teams.

3. Scope

This policy spans all Council areas, integrating risk management into corporate and operational planning, decision-making processes and project management. Council recognises it is vital in ensuring sound governance, legislative adherence and sustainability in environmental, social and financial aspects.

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4. Responsibility

Group / Role	Responsibility
Workers	<ul style="list-style-type: none"> • manage risks in daily roles; • follow relevant corporate guidance documents; • identify and report risks and controls promptly to appropriate management; and, • escalate risks beyond capacity or authority for higher-level review.
Managers	<ul style="list-style-type: none"> • manage risks within authority and decision-making scope; • support a positive risk culture; • manage risks within council's risk appetite levels; and, • support implementation of the enterprise risk management framework.
Directors	<ul style="list-style-type: none"> • manage specific strategic risks through effective controls and treatment plans; • provide adequate resources; and, • attend relevant meetings for discussing specific risks.
Governance, Risk and Compliance Team	<ul style="list-style-type: none"> • facilitate and oversee the risk management process; • assist business areas to establish, review and maintain corporate guidance documents; • provide guidance and training to risk owners and stakeholders; • coordinate risk information, evaluate risk assessments and challenge response plans; and, • promote a risk-aware culture through collaboration and communication.
Chief Executive Officer	<ul style="list-style-type: none"> • manage Council risk appropriately; • promote a positive risk culture; • review and articulate Council's risk appetite; • evaluate enterprise-wide risk management framework and plans; and, • communicate, implement and keep current corporate guidance documents.
Audit and Risk Committee	<ul style="list-style-type: none"> • provide independent advice; and • oversee, monitor, review and advise on risk management activities and framework.
Council	<ul style="list-style-type: none"> • approve the organisation's Enterprise Risk Management Policy and framework; • define and approve levels of risk appetite and tolerance; and, • seek appropriate assurance on the framework's effectiveness.

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5. Definitions

Corporate Guidance Documents - includes Council policies, administrative directives and associated procedures.

Manager - an individual responsible for overseeing and coordinating specific functions, departments, teams or projects within Townsville City Council.

Risk - the effect of uncertainty on objectives, encompassing positive, negative or both outcomes that can create, address, or result in opportunities and threats.

Risk Appetite - the amount and type of risk that Council is willing to pursue or retain.

Workers - includes employees, contractors, volunteers and all others who perform work on behalf of Council.

6. Policy

Council commits to managing risk in accordance with ISO 31000 guidelines, advocating an integrated, structured and comprehensive approach based on the best available information. It aims to create value by embedding a risk culture that demonstrates sound governance, serves as a strategic business tool, integrates into all facets of Council, reduces community exposure to losses, and safeguards the Council's reputation as a professional, responsible and ethical organisation.

7. Legal Parameters

Local Government Act 2009

Local Government Regulation 2012

8. Associated Documents

ISO 31000:2018 - Risk Management - Guidelines

Enterprise Wide Risk Management Strategic Framework and Process

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