

# ENTERPRISE RISK MANAGEMENT POLICY

## ADMINISTRATIVE POLICY



### 1 Scope

This policy applies to all Rockhampton Regional Council activities, employees, contractors, volunteers and external stakeholders.

### 2 Purpose

To establish a risk management framework aligned with Council's strategic and operational objectives.

### 3 Related Documents

#### 3.1 Primary

Nil

#### 3.2 Secondary

*Local Government Regulation 2012*

Council Corporate Plan

Council Operational Plan

Enterprise Risk Management Framework

Enterprise Risk Management Process Procedure

Enterprise Risk Register

Fraud and Corruption Control Policy

International Standard – AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines

### 4 Definitions

To assist in interpretation, the following definitions apply:

CEO	<i>Chief Executive Officer</i> A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Contractor	A person, organisation or entity that performs a specific act or acts including the provision of services and/or materials to another person, organisation or entity under an agreement enforceable by law.
Council	Rockhampton Regional Council
Employee	<i>Local government employee:</i> (a) the chief executive officer; or (b) a person holding an appointment under section 196 of the <i>Local Government Act 2009</i> .

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Version:	6	Section:	Internal Audit
Reviewed Date:	17 April 2018	Page No:	Page 1 of 3

Enterprise Risk Management (ERM)	Council's approach to risk management encompassing: strategy, processes, culture, technology, standards and knowledge in identifying, analysing, evaluating, managing, treating, reviewing and communicating uncertainties encountered.
Enterprise Risk Management Framework	Council's adopted systems, processes and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving ERM throughout Council. The framework provides an expression of intent on what, why and how risk is to be managed and shows how Council provides capacity to manage risk according to the intent.
External Stakeholders	Any individual or organisation outside Council that can impact, be impacted by, or perceive themselves impacted by, Council's objectives. (For example: suppliers)
Risk	The effect of uncertainty on objectives.
Volunteer	Any person, who of their own free will, offers to undertake un-paid work for Council and is accepted as a volunteer by the CEO and/or his authorised delegates.

## 5 Policy Statement

Risk is inherent in all Council's business activities, programs, services, projects, processes and decisions. Council is committed to the identification and management of all risks associated with the performance of Council functions and the delivery of Council services and embedding ERM as part of Council's governance framework to protect its employees, the general public, its assets and the environment. Council's approach to ERM is based on the Australian/New Zealand and International Standard AS/NZS ISO 31000:2009.

Council recognises it has a responsibility to identify and address all threats and opportunities associated with:

- The provision of a safe and healthy operating environment for all employees, the general public and other stakeholders involved with the provision and use of Council services and infrastructure;
- The prudent management of Council property and resources on behalf of ratepayers; and
- The achievement of Council's corporate objectives to provide effective service to the public.

### 5.1 Risk Management Principles

Management and employees must assume responsibility for ERM facilitated by the following guiding principles:

- Adoption of a governance framework** – The Enterprise Risk Management Framework and Enterprise Risk Management Process Procedure outlines accountabilities and obligations, and guides the implementation and ongoing monitoring of ERM throughout Council.
- Adds value** – Alignment and integration with Council's Corporate and Operational Planning, and budget deliberation processes.
- ERM is an integral part of organisational processes** – Management endorsed integration in all business processes.
- ERM informs all decision making** – Decision makers are making informed decisions cognisant of relative risks.
- ERM promotes a safer work environment** – Risk management integrated with Council's Workplace Health and Safety, promoting safe work practices and a safer work environment.
- Explicitly addresses uncertainty** – Taking account of uncertainty, the nature of uncertainty and how it can be addressed.
- Systematic, structured, timely and tailored.**
- Based on best available information and experience** – Utilisation of generally accepted risk mitigation techniques for managing risks.

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Version:	6	Section:	Internal Audit
Reviewed Date:	17 April 2018	Page No:	Page 2 of 3

- (i) **Transparent, inclusive and responsive to change** – Timely involvement of stakeholders.

## 6 Review Timelines

This policy is reviewed when any of the following occur:

- (a) The related information is amended or replaced; or
- (b) Other circumstances as determined from time to time by the Council.

## 7 Document Management

Sponsor	Chief Executive Officer
Business Owner	Chief Executive Officer
Policy Owner	Chief Audit Executive
Policy Quality Control	Corporate Improvement and Strategy



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Version:	6	Section:	Internal Audit
Reviewed Date:	17 April 2018	Page No:	Page 3 of 3