2213 Enterprise Risk Management Policy
Governance Policy

PURPOSE

1) North Burnett Regional Council recognises that risk management is an integral component of sound corporate governance and management practices. All Councillors and staff have a responsibility for embracing risk management, and integrating risk management activities within their business environment.

2) This Policy, supported by Council's Risk Management Framework, aims to embed a culture of risk awareness throughout the organisation.

SCOPE

3) This policy applies to all Councillors, employees, contractors and volunteers when undertaking Council business. Everyone is obligated to ensure that they have taken reasonable care to make informed decisions based on an analysis of foreseeable risks, opportunities and impacts on health and safety, the implementation of Council strategies and the attainment of organisational objectives.

4) Council acknowledges the moral, financial and legal responsibilities to effectively manage risks and opportunities in all areas of operations. The management of risk is to be integrated into all corporate planning, service delivery activities and processes.

DEFINITIONS

Term	Definition
Enterprise Risk Management (EMR)	EMR encompasses all the major risk categories (including financial, environmental, health and safety, fraud and corruption, information technology, compliance, security and business continuity) and includes the coordination, integration, consolidation and consistency of reporting by the various Council functions with identified risks.
Consequence	Means the outcome of an event affecting objectives (impact/magnitude). An event can lead to a range of consequences and can have a positive or negative effect on objectives. Consequences can be expressed qualitatively or quantitatively.
Likelihood	Means the chance of something happening, whether defined, measured or determined objectively or subjectively (probability or frequency).
Risk	Means any action or event that has the potential to impact on the achievement of Council's business objectives. Risk also arises as much from the possibility that opportunities will not be realised as it does from the possibility that threats will materialise or that errors will be made.
Risk Management	Means the culture, processes and structures developed to effectively manage potential opportunities and adverse effects for any activity, function or process undertaken by the Council. Managing risk is achieved through the systematic application of policies, procedures and practices to identify, analyse, evaluate, treat, monitor and communicate risk.
Risk Register	Means a register of identified and assessed risks directly related to either a particular operation within Council, or, Council as a whole. Risk registers can be developed at Corporate, Operational, Project or Event level.
Risk Treatment	Means the process of selecting and implementing measures that will assist in the mitigation of an identified risk to reduce adverse impacts on Council's operations.

POLICY

OBJECTIVES

5) Council recognises that risk is inherent in all its business activities, programs, services, projects, processes and decisions and if not managed, could adversely impact on the organisation achieving its strategic goals and objectives.

6) Accordingly, Council is committed to the identification and management of all risks associated with the performance of Council functions and delivery of services and to embed risk management as part of Council's corporate governance framework to protect its employees, the general public, its assets and environment.

7) Council recognises that management 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;
- The statutory obligation imposed to, as a minimum, attain and maintain compliance with all legislation and standards in delivering the diverse range of services to the community;
- The prudent management of property and resources; and
- The achievement of Council's corporate goals and objectives to provide quality services to the community.

8) To provide a structured process to be applied across Council for identifying, quantifying and predicting the impact of risks, with this process meeting legislative and Australian Standards and aligning to the achievement of Council's Corporate Plans.

9) To provide information and guidance on the management of risk across Council. To promote better operational and strategic decision-making by the Council and Council officers. To prevent where possible and minimise the negative consequences and maximise opportunities across all Council activities.

PRINCIPLES

10) This Policy seeks to achieve each of the following principles:

a) Council is an environment where everyone takes responsibility for managing risk (through a risk management culture) which will ensure resources and operational capabilities are optimised;

b) An emphasis on proactive rather than reactive risk management practices;

c) The application of a consistent, complimentary framework that is integrated with other relevant processes and systems, including Councils long-term goals and objectives for the community;

d) An alignment with the current Risk Management Standard AS/NZS ISO 31000:2018.

POLICY STATEMENT

11) Council will implement an Enterprise Risk Management Framework to assist Council in identifying, managing and reviewing risk to ensure that risks remain within established risk tolerance levels and risk treatments are appropriately resourced.

12) Management undertakes to ensure that the risks associated with all services and facilities are formally identified, assessed and managed in accordance with the principles outlined in the ISO 31000:2018 Risk Management - Guidelines.

13) This Policy will be supported by Council's Risk Management Framework that provides a systematic approach which embodies the management of risks – identifying, assessing and implementing appropriate treatments to control those risks within Council's capabilities.

ROLES AND RESPONSIBILITIES

14) Councils Chief Executive Officer has overall responsibility for administering risk management systems, policies and procedures.

15) General Managers and Managers oversee the identification, assessment and management of risks. This includes reporting the status and effectiveness of risk treatments recorded in their business units localised/operational Risk Register.

16) Governance Policy and Risk Advisor is responsible for oversee the identification, assessment and management of strategic risks including administering the Strategic Risk Register.

17) Employees, Contractors and Volunteers are responsible for applying risk management practices generally, and are responsible for the timely completion of activities contained within risk treatment plans.

APPLICABLE LEGISLATION AND REGULATION

Under the *Local Government Regulation 2012*, Council is required to keep a record of the risks the local government is exposed to and the control measures adopted to manage those risks (s164).

RELATED DOCUMENTS

- Enterprise Risk Management Framework
- ISO 31000:2018 Risk Management – Guidelines
- Strategic Risk Register
- Business Unit Risk Registers and Risk Treatment Plans (various)

RESPONSIBLE OFFICER

Chief Executive Officer

APPROVAL DATE

26 May 2021

REVIEW DATE

May 2025 (Standard four year term)

REVISION HISTORY

Version	Meeting	Approval Date	History
1	Policy and Planning	05/07/2017	New
2	General	26 May 2021	Revised