Risk Management Policy

Responsible Manager	Manager, Risk and Assets
Head of power	*Local Government Act 2009* *Local Government Regulation 2012*
Authorised by	Council
Authorised on	21 July 2020
Implemented from	1 August 2020
Last reviewed	July 2020
Review history	
To be reviewed	June 2021
Corporate Plan	Sustainability

1. Purpose

Torres Strait Island Regional Council is committed to the principles of enterprise wide risk management and to the alignment and integration of these principles into effective decision making and planning in all aspects of Council's functions and operations.

The Risk Management Policy, supported by related structures, systems and procedures will ensure that a coordinated risk management approach is taken to minimise the impact of risks that Council can meaningfully and realistically control, during the planning and achievement of Council's strategic and operational goals and objectives related to:

- Conducting itself as a responsible and ethical organisation, protecting employees, volunteers, and visitors from harm, in accordance with the Corporate Plan objectives of Respect, Courage, Accountability, Resilience and One;
- Protecting Council's tangible and intangible assets from loss or damage;
- Ensuring compliance to a diverse range of statutory and regulatory requirements, internal policies, and documented risk treatment plans;
- Establishing the right balance between the control and the risks Council is willing to seek and accept in the environment within which it operates; and
- Protecting and enhancing Council's reputation.

Council will manage risk in accordance with AS ISO 31000:2018 – Risk Management – Guidelines.

Council will adopt structures, systems, procedures and associated forms and tools that ensure a uniform and consistent approach to the management of risk across all areas and levels of Council.

2. Application

This policy applies to all Councillors, employees, contractors, and volunteers including those involved with any affiliated entity, program, or initiative.

Risk Management will be applied across all areas and levels of Council activities, including strategies and decisions, operational compliance, asset management, financial management, business continuity plans, data and information management and work, health and safety management.

3. Legislation/Policies

This policy is established with reference to obligations specified in the *Local Government Act 2009.*

The Council has an obligation to act in accordance with the local government principles set out at Section 4 of the *Local Government Act 2009*, namely:

a) transparent and effective processes, and decision-making in the public interest; and

b) sustainable development and management of assets and infrastructure, and delivery of effective services; and

c) democratic representation, social inclusion and meaningful community engagement;

d) good governance of, and by, local government; and

e) ethical and legal behaviour of councillors and local government employees.

Section 207 of the *Local Government Regulation 2012* includes requirements for:

(a)   the way in which the operational risks have been evaluated; and

(b)   the most significant operational risks identified from the evaluation; and

(c)   the control measures that the local government has adopted, or is to adopt, to manage the most significant operational risks.

The International Risk Management Standard ISO 31000:2018 reinforces the practical integration of risk management into key decision-making processes and is used to create and protect value in organisations by managing risks, making decisions, setting and achieving objectives and improving performance.

Other guiding documents have been issued by the Queensland Audit Office, Crime and Corruption Commission and Local Government Mutual Services.

4.   Definitions

Risk – Risk is defined by the Australian Standard for Risk Management as the "effect of uncertainty on objectives". A risk is often specified in terms of an event or circumstance and the consequences that may flow from it. Risk is measured in terms of a combination of the consequences of an event and their likelihood.

Risk Management – Coordinated activities to direct and control a risk.
Risk Register – A record of information about identified risks.

5.   Roles and Responsibilities

Council	The Council will: • Retain ultimate responsibility for Risk Management; • Establish and communicate its Risk Appetite, guiding itself and management in their actions and ability to accept and manage risks; • Review the Risk Management Policy in accordance with the risk rating of the document or more frequently as circumstances require; and • Receive, consider, and action as appropriate, risk management reporting from the CEO and the Audit Committee.
Audit Committee	The Audit Committee (an Advisory Committee of the Council) is responsible for: • Supporting Councillors to discharge their responsibilities; • Monitoring reports of systems and processes to ensure that Council's material risks and risk profiles are appropriately identified, assessed, managed, monitored and reviewed; • Liaising with the CEO and Manager Risk and Assets to ensure the development and implementation of appropriate Risk Management policies and procedures; • Evaluating and monitoring the adequacy of control systems and management actions, by reviewing internal audit reports; and • Reviewing risk reporting and making recommendations to the Council in respect of key risk issues arising in the course of its deliberations.

Chief Executive Officer (CEO)	The CEO is responsible for ensuring: • Risk Management activities, including the identification, analysis, treatment, monitoring and evaluating of risk is carried out effectively within Council in accordance with this Policy; • Supporting the ongoing implementation of Risk Management in all areas of Council's operations; • Fostering a positive risk-aware culture within Council; • Reporting of significant risks across Council is undertaken and reviewed during decision making and planning; and • Workers understand their responsibilities with respect to risk management.
Manager, Risk and Assets	The Manager Risk and Assets is responsible for: • Supporting the CEO in the performance of their responsibilities to develop and review the Risk Management framework, including policy, procedures, systems, and reporting; • Provide overall risk management guidance; • Monitor the risk register, which documents strategic and operational risks; • Promote effective risk informed decision making and the reduction of Council's risk exposure; and • Coordinate activities and training to raise risk awareness.
Department Heads	Department Heads are responsible for the implementation of this Policy and associated procedures within their areas of responsibility.
Managers	Managers are accountable for the delivery and adherence to this Policy and associated Procedures within their areas of responsibility.
Workers	All workers (including employees, contractors, volunteers and all others who perform work on behalf of Council) are to be competent and accountable for managing risk within their area of responsibility.
Risk Owners	It is the Risk Owner's responsibility to: • update risks in the register, and • provide the Manager Risk and Assets with information to be included in reports to the Council, the Audit Committee and the CEO on the progress of risk mitigation plans and risk assessment performed on new initiatives.