



STATUTORY POLICY
MOUNT ISA CITY COUNCIL
Enterprise Risk Management Policy

RESOLUTION NO. **OM29/09/20** VERSION **V2**

APPLIES TO STATUTORY POLICIES ONLY

This an official copy of the **Enterprise Risk Management Policy**, made in accordance with the provisions of *Local Government Act 2009 and Local Government Regulation 2012 and ISO 31000:2018 Risk Management* and current Council Policies.

Statutory Policies comply with a legislative requirement; the **Enterprise Risk Management Policy** is approved by the Mount Isa City Council for the operations and procedures of Council.

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 Sharon Ibardolaza
Chief Executive Officer

DOCUMENT VERSION CONTROL				
Governance/Policies/Statutory Doc ID# 26706			POLICY TYPE	Statutory (Council)
VERSION	DATE	RESOLUTION NO.	DETAILS	
V1	22.03.2017	OM28/03/17	Responsible Officer - Executive Manager	
V2	23.09.2020	OM29/09/20	Responsible Officer – Corporate Governance Coordinator	
			REVIEW DUE	07.2021

DISTRIBUTION AND DISSEMINATION			
Internal email to all employees	X	Section meetings / Toolbox talks	
Internal email to all councillors	X	Included in employee inductions	
Employee noticeboards		Uploaded to Council website	X
Internal training to be provided		External training to be provided	
Registered in magiQ	X		



1. PURPOSE

Mount Isa City Council ("Council") is committed to implementing and embedding a risk management methodology consistent with ISO 31000:2018 Risk Management Guidelines, to effectively manage the broad range of risks Council is exposed to which, if not managed effectively, could adversely impact on Council's ability to achieve its strategic goals, deliver on its initiatives and services, in a financially sustainable manner and its ability to maximise opportunities for continuous improvement.

2. SCOPE

This policy applies to all councillors, staff, contractors, committees and volunteers undertaking Council business.

3. POLICY OBJECTIVES

- 3.1 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 accepted International Standards and aligning to the achievement of Council's Corporate Plans.
- 3.2 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.
- 3.3 To ensure clarity of roles, responsibilities and accountabilities for effective risk management, including monitoring, reviews and provision of assurance on risks and controls to Council
- 3.4 Create and continually enhance a constructive risk management culture in which staff and managers at all levels are encouraged and supported to raise and respectfully 4. discuss risks, issues and opportunities towards beneficial outcomes.

4. PRINCIPLES

- 4.1 The following principles are to apply:
 - a) An emphasis on proactive rather than reactive risk management;
 - b) 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;
 - c) An alignment with the current International Risk Management Standard ISO 31000:2018;
 - d) Compliance with Section 164(1) of the *Local Government Regulation 2012*; and
 - e) Appropriate allocation of resources to achieve Policy Objectives.

5. POLICY STATEMENT

- 5.1 Council will implement and maintain an Enterprise Risk Management Framework that provides the overall framework, direction and oversight for the systematic, disciplined

and consistent identification and assessment of risks (including opportunities) and for their effective and efficient management.

- 5.2 Effective risk management is governed by Council's commitment to risk management and this process is outlined in Council's Enterprise Risk Management Framework.

6. ROLES AND RESPONSIBILITIES

Refer Enterprise Risk Management Framework and Risk Management Procedures.

7. APPLICABLE LEGISLATION AND REGULATION

- 7.1 Under the *Local Government Regulation 2012* Section 164(1), 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.

- 7.2 The Enterprise Risk Management Framework also seeks to comply with the following legislation relating to risk management:

- a) *Financial Accountability Act 2009* (Qld) – requires the establishment and maintenance of an appropriate system of risk management.
- b) *Crime and Corruption Act 2001* (Qld) – refers to corruption risks and development of prevention strategies.
- c) *Work Health and Safety Act 2011* (Qld) – requires that risks are eliminated, and if not reasonably practicable to be eliminated, then minimised as far as reasonably practicable.

8. DEFINITIONS

- a) **Risk** - Risk is the 'effect of uncertainty on objectives' [ISO31000:2018] where effect is a deviation from the expected outcome. Risk may be caused by a single event or a set of circumstances that affect, adversely (threats) or beneficially (opportunities), the achievement of objectives.
- b) **Risk Management** - Risk management refers to the set of principles, framework, culture, processes and coordinated activities to direct and control an organisation with regard to the many risks that can affect its ability to achieve its objectives. Effective risk management increases the likelihood of achieving objectives, identifying and pursuing opportunities and avoiding or minimising unexpected harms.

Associated Documents

- [Enterprise Risk Management Framework](#)
- [Risk Appetite Statement](#)
- [Enterprise Risk Management Procedures](#)