

Risk Management Policy

1. PURPOSE

Torres Strait Island Regional Council is committed to the principles of Enterprise 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, along with its supporting structures, systems, procedures and associated forms and tools will help ensure that a unified approach to risk management is employed to reduce the impact of controllable risks on 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 Council's values of Respect, Courage, Accountability, Resilience and One;
- Protecting Council's tangible and intangible assets from loss or damage;
- Ensuring compliance with 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 in which it operates; and
- Protecting and enhancing Council's reputation.

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

2. SCOPE

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

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

3. LINK TO CORPORATE PLAN

Sustainability Bisnis - Mekem las long

4. ROLES AND RESPONSIBILITIES

Refer to Council's Enterprise Risk Management Guidelines, which describes the roles and responsibilities of the Council, Audit Committee and Employees.

5. LEGISLATION AND RELATED DOCUMENTS

Local Government Act 2009

Local Government Regulation 2012

Code of Conduct for Councillors in Queensland 2024

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

Section 164(1) of the Local Government Regulation 2012 requires a local government to keep written records stating:

- a) the risks the local government's operations are exposed to, to the extent they are relevant to financial management; and
- b) the control measures adopted to manage the 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.

The Risk Management Policy is supported by:

- Local Government Act 2009

- Local Government Regulation 2012
- AS/NZS ISO 31000:2018 Risk Management - Guidelines
- Torres Strait Island Regional Council Enterprise Risk Management Guidelines Document
- Risk Appetite Statement
- Risk Register
- Other guiding documents issued by the Queensland Audit Office, Crime and Corruption Commission and Local Government Mutual Services.

6. DEFINITIONS

Risk – The effect of uncertainty on objectives. Risk may also include a missed opportunity.

Council – A group elected or appointed as an advisory or legislative body.

Enterprise Risk Management (ERM) – Encompasses all the major risk categories and includes the coordination, integration, consolidation and consistency of reporting by the various Council functions with identified risks.

Governance – The system by which an organisation is controlled and operates, and the mechanisms by which it, and its people, are held to account.

Risk Management Framework – A set of practices, processes, and technologies that enable an organisation to identify, assess, and analyse risk to manage risk within the organisation.

Risk Appetite – The level of risk Council is willing to take in the pursuit of its strategic objectives.

Risk Register – A list of identified and assessed risks directly related to either a particular directorate or to the whole of Council across all risk categories (recorded in Council's risk management software – "Riskware").

7. REVIEW

This policy is to be reviewed if legislation changes, or every three (3) years if no changes have been required to be enacted, at the direction of the Chief Executive Officer.

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