

# THE BAROSSA COUNCIL ENTERPRISE RISK MANAGEMENT POLICY



## 1. Purpose

- 1.1. The purpose of the Enterprise Risk Management Policy (the Policy) is to enable an integrated approach to risk management through:
  - 1.1.1. The Barossa Council's commitment to core risk management principles;
  - 1.1.2. An Enterprise Risk Management Framework that provides the principles, processes and tools to underpin Council's approach to achieving a balance between the costs of managing a risk and the anticipated benefits;
  - 1.1.3. Defining responsibilities for the application of risk identification, assessment, evaluation and treatment programs across Council operations;
- 1.2. Risk Management leads to the successful achievement of Council's Vision, Strategic Plan Objectives and community expectations.

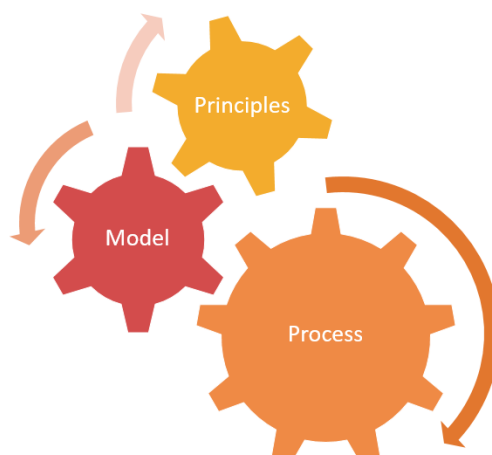
## 2. Scope

- 2.1. This Policy relates to the management of all reasonably foreseeable Risks associated with the carrying out of The Barossa Council's ("Council") business activities and applies to all Council Workers.
- 2.2. The management of risk will be integrated into Council's governance structures, including decision making and management activities at strategic and operational levels.

## 3. Policy Statement

- 3.1. Council is committed to maintaining and applying governance and risk management principles to ensure that any impacts to strategic and business objectives are considered and analysed.
- 3.2. Council will adopt and implement a systematic approach to identify, assess, evaluate and treat (mitigate) risks. The Risk Management Framework aims to assist Council to achieve its strategic goals whilst recording and managing its operational risks.

### Enterprise Risk Management Framework



- 3.3. Management will lead, actively participate and have complete oversight over all aspects of risk management within their areas of responsibility.
- 3.4. Council will maintain the Risk Management Framework consistent with the guidelines and principles of risk management as set out in the International Standard ISO31000:2018 – Risk Management Guidelines, with the goal of providing a consistent approach for dealing with uncertainties likely to impact on the achievement of Councils Vision.
- 3.5. Council's Risk Register(s) will be periodically and consistently reviewed in accordance with set timeframes identified in the Risk Management Framework.
- 3.6. Roles and Responsibilities
- 3.6.1. Council is responsible for the approval of this Policy and overseeing the systematic approach to managing risk across Council operations.
- 3.6.2. The Audit Committee is responsible for ensuring that appropriate policies, practices and processes of internal control are implemented and maintained in order to assist the Council to:
- carry out its activities in an efficient and effective manner;
  - achieve its objectives;
  - ensure adherence to management policies;
  - safeguard the Council's assets; and
  - secure (as far as possible) the accuracy and reliability of Council records.
- 3.6.3. The Chief Executive Officer has the responsibility for ensuring that the Risk Management System is established and implemented and that risk management is integrated into Council's activities and functions.
- 3.6.4. Members of the Corporate Management Team are responsible for:
- Commitment to promotion of this Policy and the broader Risk Management Framework whilst monitoring Council's overall risk profile and controls;
  - Ensuring that the status of Council's risk and internal control profile is reported to the Audit Committee;
  - The implementation, management and evaluation of risk management, in accordance with the Policy and Risk Management Framework within their areas of responsibility;
  - Undertaking the risk management plan and actions as per the requirements of the Policy and Risk Management Framework;
  - Ensuring that risk based information is recorded in Council's Risk Register; and
  - Ensuring adequate resourcing is available to manage and implement the Risk Management Framework.
- 3.6.5. The Risk Management Team (Risk, Governance and Internal Control) is responsible for:
- Assisting the Corporate Management Team to develop, implement and maintain the Risk Management Framework, plans and actions in a systematic and standardised manner;
  - Development and maintenance of a Risk Register(s) that records reasonably foreseeable Operational and Strategic risks and internal controls;

- Development and compilation of reports relating to Council's risk and internal control profile.

3.6.6. Workers are responsible for identifying, evaluating and managing risks in their daily activities and projects and for adhering to the requirements of Council's Risk Management Framework.

#### **4. Supporting Processes and Documents**

- 4.1. Risk Management Framework
- 4.2. Business Continuity Plan
- 4.3. Internal Audit Process
- 4.4. Budget and Business Plan (and Review) Process
- 4.5. Planning, Sourcing and Selection Process
- 4.6. Contract and Contractor Management Process
- 4.7. Purchasing Process
- 4.8. Insurance Management Process
- 4.9. Risk and Internal Control Register

#### **5. Related Policies**

- 5.1 Hazard Management Policy
- 5.2 Work Health & Safety and Return to Work Policy
- 5.3 Drug and Alcohol Policy
- 5.4 Work Health & Safety Administration Policy
- 5.5 Work Health & Safety Consultation and Communication Policy
- 5.6 Workplace Emergency Management Policy
- 5.7 Community Emergency Management Policy
- 5.8 Budget and Business Plan (and Review) Policy
- 5.9 Procurement Policy
- 5.10 Prudential Management Policy
- 5.11 Asset Management Policy
- 5.12 Lease and Licence Policy
- 5.13 Event Management Policy
- 5.14 Audit Committee Terms of Reference

#### **6. Legislation and References**

- 6.1. Section 125 of the *Local Government Act 1999* ('LG Act') requires Council to ensure that appropriate policies practices and procedures of internal control are implemented and maintained in order to assist the Council to carry out its activities in an efficient and orderly manner to achieve its objectives.
- 6.2. Section 126 of the LG Act requires Council to have an audit committee that has the following functions:
  - reviewing annual financial statements to ensure that they present fairly the state of affairs of the council; and
  - proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan; and
  - proposing, and reviewing, the exercise of powers under section 130A; and
  - liaising with the council's auditor; and

- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

6.3. Section 132A of the LG Act requires Council to ensure that appropriate policies, practices and procedures are implemented and maintained in order to ensure compliance with statutory requirements and achieve and maintain standards of good public administration.

6.4. Section 134(4) (b) of the LG Act requires Council to adopt risk management policies, controls and systems.

## 7. Review

This Policy will be reviewed by the Document Control Officer in consultation with the relevant stakeholders within four (4) years or more frequently if legislation or Council's need changes.

## 8. Further Information

8.1. This Policy is available on Council's website at [www.barossa.sa.gov.au](http://www.barossa.sa.gov.au). It can also be viewed electronically at Council's principal office at 43-51 Tanunda Road, Nuriootpa and all Council branches, during ordinary business hours. A copy of this Policy can be obtained at those venues upon payment of a fixed fee.

8.2. Complaints regarding this Policy or its application can be made to the Customer Service team on 8563 8444 or [barossa@barossa.sa.gov.au](mailto:barossa@barossa.sa.gov.au) at first instance, who will refer you to the most appropriate officer according to Council's Customer Service Policy (see clause 8.1 above for availability).

## 9. Document Control

|                             |                                                                                     |                                                                       |                                                                    |                                     |
|-----------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------|
| <b>Corporate Plan Link:</b> |  | 6.5 Implement compliant and contemporary risk management initiatives. |                                                                    |                                     |
| <b>Document Owner:</b>      | CEO                                                                                 |                                                                       | <b>Document Control Officer:</b>                                   | Manager Executive Services          |
| <b>Consultation Rating:</b> | [A]                                                                                 | <b>Audience:</b>                                                      | External                                                           | <b>Next Review Date:</b> 17/11/2024 |
| <b>Version history</b>      |                                                                                     |                                                                       |                                                                    |                                     |
| <b>Version No.</b>          | <b>Date</b>                                                                         |                                                                       | <b>Description of Change</b>                                       |                                     |
| 2.0                         | 17/11/2020                                                                          |                                                                       | Policy template update and contents aligned to LGAMLS model policy |                                     |
| 1.0                         | 17/11/2015                                                                          |                                                                       | New Policy                                                         |                                     |

## 10. Definitions

|                   |                                                                                             |
|-------------------|---------------------------------------------------------------------------------------------|
| Operational Risks | Risks associated with departmental functions and daily operations to deliver core services. |
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|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk Management | Coordinated activities to direct and control an organisation with regard to risk.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Strategic Plans | Strategic Plans include (but are not limited to) Community Plan, Corporate Plan, Infrastructure and Asset Management Plans.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Strategic Risks | Risks associated with <i>high level</i> strategic goals that align to Councils Strategic Plans. Strategic risks may affect the achievement of Council's corporate objectives-They are key issues for the management and impinge on the whole business rather than a business unit. These risks can be triggered from within the business or externally. In other words they may stop the organisation from achieving its strategic goals.                                                                                                                                                                                      |
| Worker          | <p>A person is a worker if the person carries out work in any capacity for Council, including work as:</p> <ul style="list-style-type: none"> <li>(a) an employee; or</li> <li>(b) a contractor or subcontractor; or</li> <li>(c) an employee of a contractor or subcontractor; or</li> <li>(d) an employee of a labour hire company who has been assigned to work in the person's business or undertaking; or</li> <li>(e) an outworker; or</li> <li>(f) an apprentice or trainee; or</li> <li>(g) a student gaining work experience; or</li> <li>(h) a volunteer; or</li> <li>(i) a person of a prescribed class.</li> </ul> |



*The Barossa Council*