

1. Introduction

Tablelands Regional Council (Council) has adopted the Local Government principles contained in the *Local Government Act* 2009, as well as a number of values related to best practice leadership to demonstrate its commitment to maintaining and further encouraging a high degree of integrity and accountable management in all aspects of its operations.

This Risk Appetite Statement provides an overarching attitude toward managing risk. In determining its risk appetite, Council will ensure that the desired risk appetite is achievable with the available resources. The Strategic Plans and all Operational Plans for functional areas are required to be consistent with this Risk Appetite Statement.

2. Purpose

The purpose of the risk appetite statement is to provide guidance on the level of residual risk Council is willing to accept in the identified risk categories. Council undertakes to make appropriate resources available to control strategic and operational risks to acceptable levels.

3. Determining Risk Appetite Levels

3.1 Risk Appetite Criteria

Council considers a number of factors to determine its appetite for each Risk. This Risk Appetite Statement characterises Council's appetite for each Risk as set out in the table below:

Appetite Level	Description
None (0)	Avoidance of all risk and / or uncertainty.
Low (1-3)	Preference for minimal / ultra-safe delivery options that have a negligible to low degree of inherent risk and correspondingly only limited potential for reward.
Moderate (4-6)	Cautious or conservative approach with a preference for moderately safe delivery options that have a medium degree of inherent risk.
High (7-9)	Willingness to consider most potential delivery options including those with major inherent risks. The correspondent potential is for considerable reward if successful.
Significant (10)	Seeking out and eagerness to be innovative and to choose options offering potentially higher business rewards, despite major or event critical inherent risk.

3.2 Risk appetite by category

Risk Category	Appetite Rating	Appetite Descriptor
Ethical Leadership, Fraud and Corruption	Low	Council has low appetite for fraud or corruption risks perpetrated by its staff or Councillors. Council will ensure that appropriate risk treatments and controls are maintained to ensure the residual risk remain low.
Reputation and Political Risk	Mod	Council has a moderate appetite for any risk which would impact negatively upon Council's or individual councillors' reputation or 'brand' which could lead to undue adverse publicity or could lead to loss of confidence by the community and its customers.
Governance	Mod	Council has a moderate appetite for governance risks. Council will ensure that appropriate risk treatments and controls are maintained to ensure the residual risk remains moderate.
Regulatory Compliance	Low	Council has a low appetite for regulatory compliance risk. Council is committed to maintaining the highest standards of integrity, legislative compliance and ethics. As such, Council has a low appetite for any breaches in statute, regulation, professional standards, ethics, or for the occurrence of bribery, theft or fraud. Council will ensure that appropriate risk treatments and controls are maintained to ensure the residual risk remain low.
Community and Relationships	Mod	Council has a moderate appetite for community and relationship risk. Council will ensure that appropriate risk treatments and controls are maintained to ensure the residual risk remains moderate.
Financial	Low	Council seeks to maintain its long-term financial viability and its overall financial strength. Council's appetite for financial risks is low. Council will ensure that appropriate risk treatments and controls are maintained to ensure the residual risk remain low.
Environmental responsibility	Mod	Council's appetite for environmental responsibility is moderate. Council will ensure that appropriate risk treatments and controls are maintained to ensure the residual risk remain moderate.
Strategic Initiatives	High	Council's appetite for Strategic risk is high. Council will actively pursue opportunities and has a willingness to take on risk where there is an acceptable level of reward.
Occupational Health and Safety	Low	Council's appetite for Occupational Health and Safety is Low. Council will ensure that appropriate risk treatments and controls are maintained to ensure the residual risk remain low.

3.3 Overall Risk Appetite

Council has a Low appetite for risk. Council will act in accordance with this Risk Appetite Statement to achieve its strategic and operational objectives.

Council recognises that it is not possible or necessarily desirable to eliminate some of the risks inherent in its activities and therefore its overall risk appetite may change over time. Changes in risk appetite may be necessary due to a change of operating environments and factors including change in strategic leadership, resource availability and other external influences.

Council will employ sound enterprise risk management principles, transparent decision-making and effective communication processes to prioritise risk and review appetite levels as required.

4. Responsibility

Council is responsible for the adoption, amendment and repeal of the Risk Appetite Statement and the Chief Executive Officer is responsible for the implementation of the statement in accordance with Council's Risk Management Framework.

5. Review

It is the responsibility of the Coordinator Legal & Governance to monitor the adequacy of this Risk Appetite Statement and recommend appropriate changes. This statement will be formally reviewed every three years or as required by Council.