



# POLICY MANUAL

<b>Legal References:</b> <ul style="list-style-type: none"><li>• Municipal Government Act</li><li>• Freedom of Information and Protection of Privacy Act (FOIP) (Alberta)</li></ul>	<b>Policy department:</b> Corporate Services
<b>Cross References:</b> <ul style="list-style-type: none"><li>•</li></ul>	<b>Policy Number:</b> I8
<b>Adoption Date:</b> <ul style="list-style-type: none"><li>• January 20, 2020 - #CM20200120.017</li></ul>	<b>Policy Title:</b> Enterprise Risk Management Policy
<b>Revision Date:</b> <ul style="list-style-type: none"><li>•</li></ul>	<b>Review Date:</b> January 2023

## POLICY PURPOSE:

To ensure the County does not exceed its Risk Appetite while executing its Strategic Plan.

## DEFINITIONS:

**County** – means the County of Grande Prairie No. 1

**Risk Appetite** – a broad view of the amount and type of risk that an organization is prepared to pursue, retain or take in order to meet its strategic objectives.

**Risk Tolerance** – a more specific measure of the degree of uncertainty that an organization is willing to accept in respect of negative changes to its business or assets.

## POLICY STATEMENT AND GUIDELINES:

The County's success depends upon its ability to accurately evaluate and address risks. The County is exposed to various risks through the conduct of its business and the environment in which it operates. The scope of this policy is broad in nature spanning all decision-making processes of the County, which is in the business of assuming and managing the risk of its operations and facilities.

The County of Grande Prairie's objectives in managing risk include:



- Integrating risk management into the culture and strategic decision-making of the County;
- Avoiding risks that could materially impair the County's financial position;
- Accepting risks that contribute to sustainable revenues and growth;
- Managing risk in accordance with best practices and demonstrating due diligence in decision-making;
- Ensuring legislative requirements as a minimum standard; and,
- Balancing the cost of managing risk with the anticipated benefits.

## **ROLES AND RESPONSIBILITIES:**

### **Council**

County Council is ultimately responsible for overseeing the County's risk-taking activities and risk management processes, which includes:

- establishing the risk appetite for the County;
- ensuring decisions are within the agreed-upon risk appetite;
- approving policies and procedures that affect the overall risk assumed by the County;
- consider risk when making decisions;
- achieve a balance by ensuring the organization's risk appetite goals are within the County's capacity for managing risk;
- continuously improve the culture, capacity and capability of risk management in the County;
- supporting County-wide decision-making and priorities as well as the achievement of County objectives and outcomes, while maintaining public confidence.

**Chief Administrative Officer** is responsible for:

- the overall risk management process;
- recommending policy changes to County Council;
- approving changes to the supporting schedules to this Policy as required;
- delegating authority to develop and implement applicable procedures and processes through the Director of Corporate Services; and
- Establishing and monitoring Enterprise Risk Management Committee (if required).

**Director of Corporate Services** is responsible for:

- reviewing the County's Enterprise Risk Management Policy, procedures and processes, as required;
- approving changes to the County's risk management procedures and processes, as required;
- recommending policy changes to the Chief Administrative Officer;
- delegating authority to develop and implement applicable procedures and processes through the Insurance/Risk Management Coordinator;



- ensuring compliance with the County's Enterprise Risk Management Policy, procedures and processes and where required or identified, mediate and resolve conflicts.

**Directors and Managers** are responsible for:

- establishing a system of internal controls and prudent business activities designed to prevent losses in their areas of responsibility;
- Ensuring compliance with the Enterprise Risk Management Policy;
- Establishing and monitoring Enterprise Risk Management Committee (if required), and
- Monitoring performance and outcomes and taking corrective action when required.

### **Insurance and Risk Management Coordinator**

Insurance/Risk Management Coordinator is responsible for:

- sharing information and fostering good practices on risk management and risk-informed approaches.
- coordinating, supporting and facilitating County risk management and insurance activities; providing recommendations to the Director of Corporate Services, regarding changes to this Policy, and associated procedures/processes;
- providing training and documentation to Council, staff, and relevant external parties regarding the County's Enterprise Risk Management Policy, procedures, and processes;
- reporting on risk management activities;
- providing advice, interpretation, and applicability of pertinent items;
- monitoring and ensuring compliance with the County's Enterprise Risk Management Policy and guidelines, and identifying and reporting breaches to the Director of Corporate Services;
- remaining current with internal and external factors including legislation and legal precedent that may impact the insurance/risk management function;

### **Staff**

Staff are responsible for:

- Implementing the policies and procedures established by the CAO, Directors or Insurance and Risk Management Coordinator and approved by Council;
- Offering recommendations for improvements in policies, processes, and procedures; and
- Confirming compliance with the internal controls and the various policies encompassed by this Enterprise Risk Management Policy.



### **CONFIDENTIALITY:**

The use and interpretation of all County Policies and schedules will comply with all aspects of the Freedom of Information and Protection of Privacy Act (FOIP). Any breaches of the FOIP Act will be subject to disciplinary action.

### **RECORDS MANAGEMENT REQUIREMENTS:**

All documentation will be filed in accordance with the Records Management Policy and to comply with the Municipal Government Act (MGA), Freedom of Information & Protection of Privacy Act (FOIP) and any other applicable legislation, regulation, or act.

### **NON COMPLIANCE:**

Consequences of non-compliance with this Policy may result in the potential for legal challenges and/or penalties to the County of Grande Prairie No. 1, its elected officials and/or staff.

The Chief Administrative Officer must approve any exceptions to the Policy.

### **POLICY AUTHORITY:**

The Chief Administrative Officer has the authority to amend the related Schedules of Policy I8 from time to time to keep current, enforceable and compliant with statutes and legislation in the Province of Alberta. Any changes that are made to Policy are to be approved by Council.

### **ATTACHMENTS:**

Schedule "A" – County of Grande Prairie Risk Appetite



## **SCHEDULE A COUNTY OF GRANDE PRAIRIE RISK APPETITE**

### **County of Grande Prairie Risk Appetite**

The County of Grande Prairie risk appetite is an “Open Appetite”

Definition - consider all potential options and choose the one most likely to result in success, while also providing acceptable levels of service, reward and value for money.

### **County of Grande Prairie Risk Appetite Statement**

The success of the County of Grande Prairie is a result of effectively managing the key drivers and aligning with the vision and values statement. This in turn supports the key strategic initiatives outlined in the County’s strategic business plans.

The County of Grande Prairie accepts an element of risk in every operation it undertakes. A critical component in establishing the County’s risk appetite is the health and safety of all employees, residents and county stakeholders. In this determination the County will be willing to accept risks related to each key value driver.

Risk appetite is defined as the County’s willingness to accept risk in the pursuit of its objectives. With continued strong advocacy and partnerships, risks will be assessed against the County’s key drivers of success which will continue to form the basis for the County’s risk appetite.

The establishment of the County’s statement on risk appetite is intended to guide all employees, and various stakeholders in their actions and ability to accept, assess and manage risks. The continued diligence in the gathering of data through both operational risks and reputational risks. This will allow for a more sustainable risk management framework. This risk appetite statement will allow the County to formally establish and communicate its risk appetite.

### **11 Key Drivers as noted by Council**

- Environmental and climate protection with a renewed focus on greenspace lands.
- Long term financial sustainability.
- Oil and Gas activity growths and declines and the impacts to the area.
- A comprehensive asset management plan.
- Continued support of the various non-profit society’s and groups in the area.
- Renewed focus on the agriculture industry.
- Continues and better communication with all county stakeholders.



- Keeping up with technology advances and the cyber security realm.
- Regulatory and legislative initiatives.
- Maintain and advance infrastructure, roads and trails.  
ICF/IDP and city relationships