Case Study - Risk Management & Assurance 1

Our Client’s Challenge

In 2010 the Department of Climate Change was focussed on implementing the Australian Government’s 3 Pillar Strategy on climate change, which included developing the policy for, implementing and administering a range of climate change initiatives. These initiatives included:

- Designing and implementing the Carbon Pollution Reduction Scheme (CPRS), a market mechanism that would place a price on Australia’s carbon emissions;
- Designing and implementing Australia’s Kyoto Protocol framework; and
- Assuming responsibility for Energy Efficiency programs previously administered by the Department of Environment, Water, Heritage and the Arts.

Our Engagement & Approach

In January 2010 MURPHYDAVIS Consulting was appointed by the Department of Climate Change to provide risk management advice regarding the design and implementation of an enterprise risk framework across the Department.

The first step in our engagement entailed the establishment of a risk framework including formulating (through consultation) the risk profile of the Department and developing a Risk Management Policy for adoption by the Audit and Risk Committee.

The second stage involved the application of the risk management framework across the organisation to identify and treat risks and issues.

Our Results

- We designed and implemented the Enterprise Risk Management Framework consistent with best practise and the risk management standard, AS/NZS ISO 31000:2009;
- We conducted risk and safety reviews and facilitated a risk based approach to issues management on certain programs administered by the Department; and
- We facilitated a strategic risk review which fed into the Department’s 2011 business planning process.