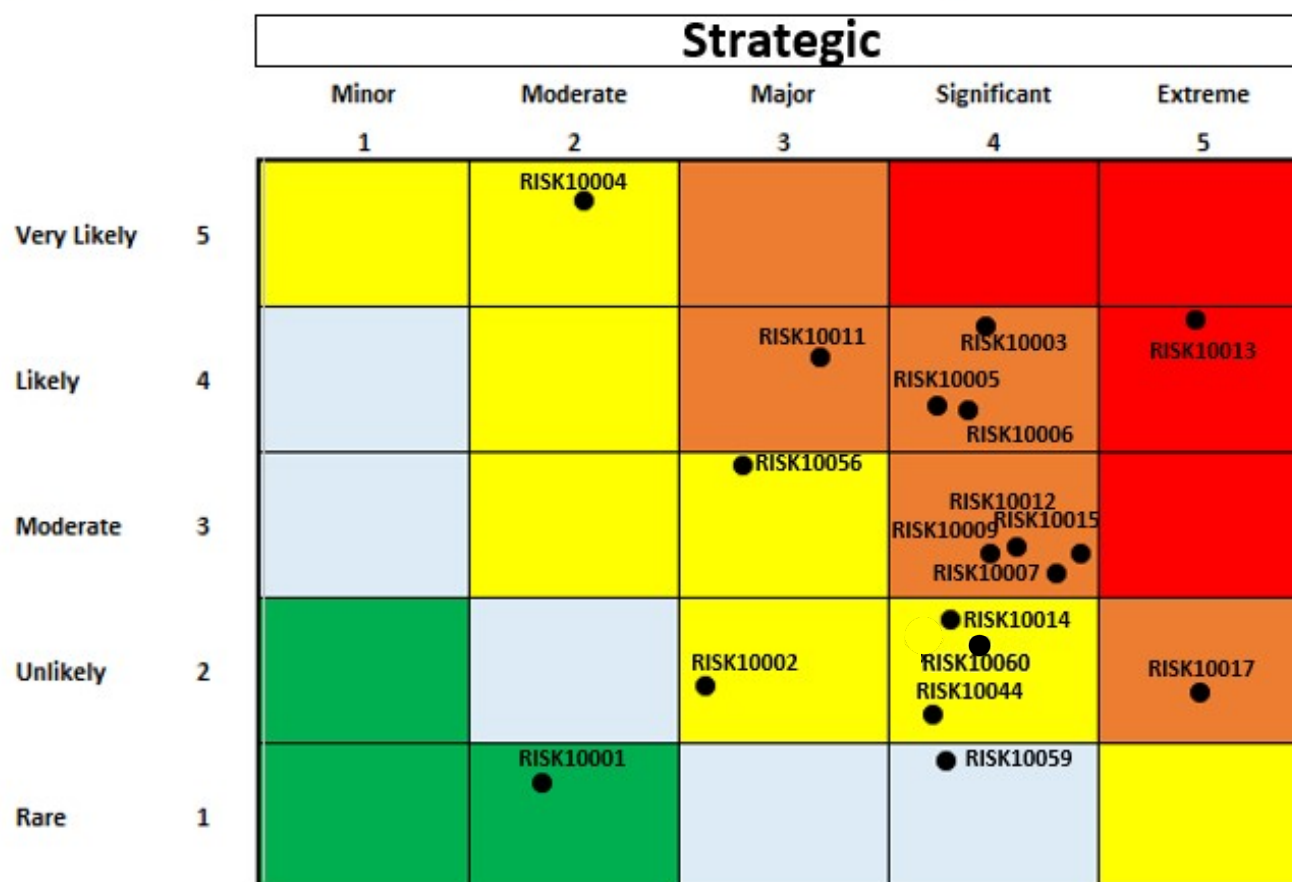
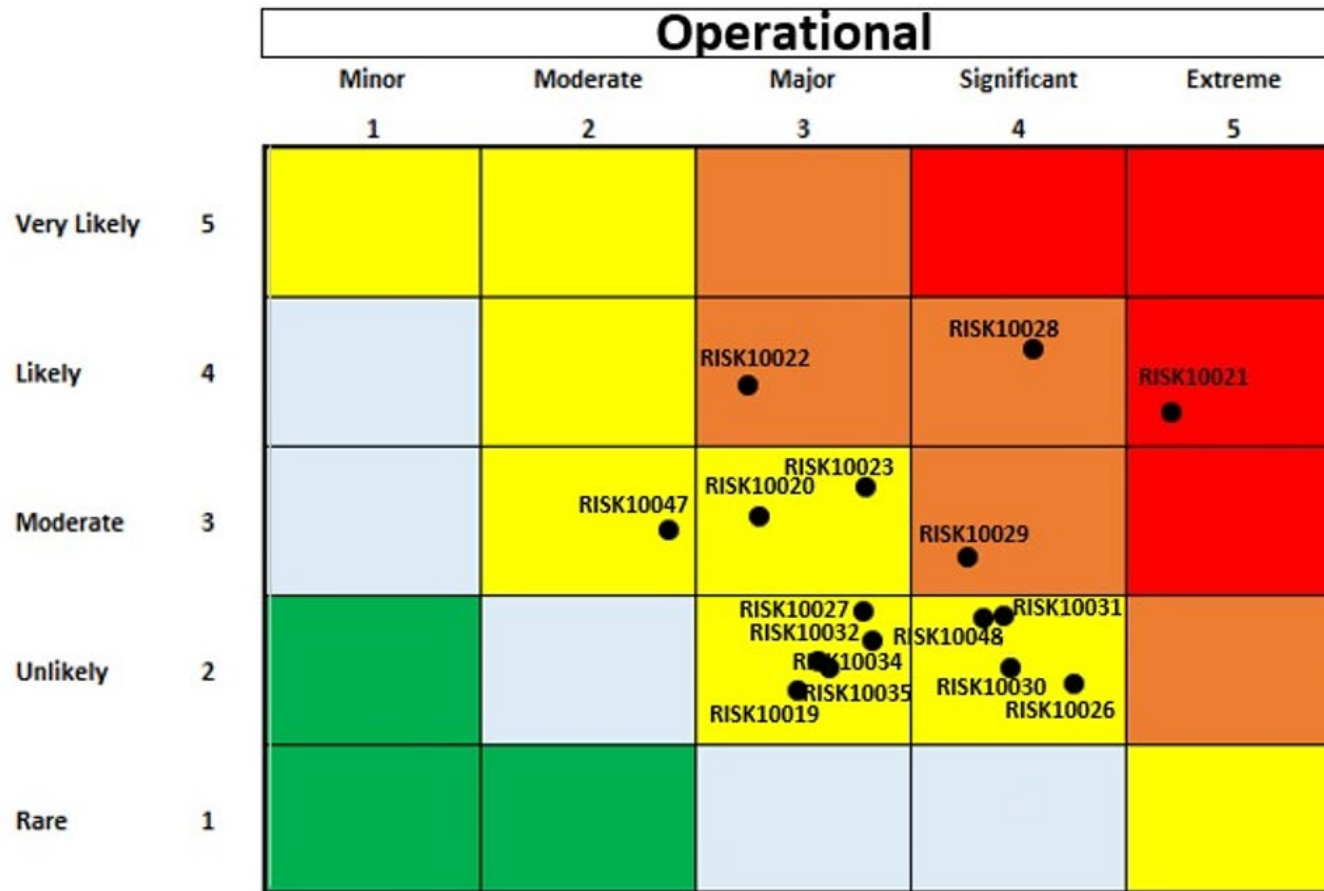


## 1 TIER 1 RISKS SUMMARY

Tier 1 risks were endorsed by the Audit, Finance and Risk Committee on 6 July 2024. Changes to Tier 1 risks were reported and noted by the committee on 7 March 2024.

Note: The location of the risks within each cell is random (system generated) and positioned to enable each individual risk to be identified.





1. RISK10060 has been reclassified as a Strategic Risk. It was previously considered an Operational Risk. The Risk Rating remains unchanged.

## Strategic Risks

Risk ID	Risk Title
RISK10001	Insufficient, inadequate or failure of digital and technology systems
RISK10002	Erosion of social cohesion
RISK10003	Economic impacts and prosperity
RISK10004	Community Partnerships do not achieve objectives
RISK10005	Ineffective planning for community services or facilities
RISK10006	Ineffective planning for property and infrastructure
RISK10007	Ineffective planning associated with natural hazards
RISK10009	Strategy for growth fails to meet objectives
RISK10011	Insufficient supply chain resource capacity and/or capability to support Council achieve strategic and operational objectives
RISK10012	Ineffective mitigation response to the declared climate and ecological emergency
RISK10013	Unexpected change in cost or funding
RISK10014	Ineffective Financial Strategy
RISK10015	Ineffective Governance
RISK10017	Ineffective Council response to, or recovery from a civil defence emergency event
RISK10044	Failure to work effectively with Mana Whenua
RISK10056	Ineffective provision for the future planning and development needs of the district
RISK10059	Ineffective planning and action to support climate change adaption
RISK10060	Insufficient, inadequate or failure of information governance

## Operational Risks

Risk ID	Risk Title
RISK10019	Central Government reforms impact on Council achieving its objectives
RISK10020	Ineffective communication
RISK10021	Ineffective operations, maintenance or renewal of property or infrastructure assets leading to failure(s).
RISK10022	Ineffective operations and maintenance of community services or facilities
RISK10023	Disruption event to facility or service
RISK10024	IT systems failure
RISK10025	Loss of integrity or theft of personal, commercially sensitive, confidential data (cyber security breach)
RISK10026	Ineffective enforcement
RISK10027	Inadequate construction management causing failure of infrastructure service or property damage
RISK10028	Ineffective procurement
RISK10029	Ineffective compliance management practices
RISK10030	Audit of annual report or long-term plan identifies non-compliance/corrective actions
RISK10031	Ineffective complaints handling
RISK10032	Health, safety or wellbeing incident affecting employee
RISK10034	Inadequate resource management or building consent systems, processes and/or people capability results in poor development outcomes and liability
RISK10035	Ineffective business processes
RISK10047	Inadequate workforce capacity and/or capability to meet organisational needs
RISK10048	Health, safety or wellbeing incident affecting member of the public
RISK200037	Limited opportunities to engage Maori service providers

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## Consequence and Likelihood matrices

From [QLDC Risk Management Policy](#)

### 9 APPENDIX A- RISK CONSEQUENCE TABLE

Risk Category	5- Extreme	4- Significant	3- Major	2- Moderate	1-Minor
<b>Business Continuity</b>	Extreme and prolonged loss (>3 days) of all key council service functions and/or ICT systems due to fault, cyber security incident, event, or mishap or non-delivery of project deliverables	Significant short-term loss (2-3 days) of some key council service functions and/or ICT systems due to fault, cyber security incident, event, or mishap or non-delivery of project deliverables	Major short-term loss (1-2 days) of some key council service functions and/or ICT systems due to fault, event, mishap or non-delivery of project deliverables	Moderate short-term loss (<1 day) of some council service functions and/or ICT systems due to fault, event, mishap or non-delivery of project deliverables	Negligible loss of service or ICT system access in relation to fault, cyber security incident, event, mishap or non-delivery of project deliverables
<b>Community &amp; Wellbeing</b>	Extreme dissatisfaction and loss of long-term support from majority of community and key stakeholders. Death, multiple serious injuries or widespread critical health impact on community Extreme and prolonged outage to core community infrastructure (>3 days) or non-delivery of critical capital project milestone that significantly impacts community	Significant dissatisfaction and loss of medium-term support from significant section of the community and/or key stakeholders. Significant injuries or serious health impact on section of the community Significant outage to core community infrastructure (2-3 days) or delay in capital project milestone that significant impacts the community	Major dissatisfaction and loss of short-term support from small section of the community. Major injury or long-term health impact on individual member of community Major outage to core community infrastructure (1-2 days) or delay in critical capital project milestone that majorly impacts the community	Moderate dissatisfaction from small section of the community. Moderate injury or short-term health impact on individual member of community Minor short-term outage (hours) to community infrastructure or delay in capital project milestone that moderately impacts the community	Minor dissatisfaction from small section of the community. Minor injury or illness with no hospitalisation required Minor short-term outage to community infrastructure, or delay in project milestone that has no discernible impact on the community
<b>Workforce</b>	Extreme gap in workforce capacity or capability with no resourcing response options which results in significant prolonged drop in service levels	Significant but short-term gap in workforce capacity or capability with no resourcing response options which results in significant but short-term drop in service levels	Major workforce capacity or capability gap that is addressed through significant response measures or external resourcing e.g. contractors or. minor drop in service levels	Moderate workforce capacity or capability gap that is addressed through internal resourcing e.g. staff re-prioritisation, overtime. Minor drop in service levels	Short-term workforce capacity gap addressed through internal resourcing with no reduction in service levels
<b>Environmental</b>	Extreme and widespread environmental degradation/ damage with certain prosecution. Effects are long term and are not able to be fully mitigated.	Significant but localised environmental degradation/ damage with probable prosecution. Effects significant with options to fully mitigate damage within 5 years	Major localised environmental degradation/ damage with possible prosecution. Effects are major with options to fully mitigate damage within 1 year	Moderate localised environmental degradation/ damage with no prosecution. Effects are moderate with options to mitigate damage within 3 months.	Minor short term immaterial environmental degradation/ damage with no prosecution or mitigation required
<b>Financial</b>	Extreme financial loss (>\$10 million)	Significant financial loss (\$5-\$10M)	Major financial loss (\$2-\$5M)	Moderate financial loss (\$0.5-\$2M)	Minor financial loss (<\$0.5M)
<b>Regulatory/Legal/ Compliance</b>	Multiple breaches in statutory duty. Serious compliance findings uncovered through audit/ inspection. Serious court enforcement, prosecution or judicial review	Isolated breach of statutory duty. Significant compliance findings uncovered through audit/inspection. Serious court enforcement, prosecution or judicial review	Significant compliance findings uncovered through audit/ inspection. Major court enforcement, prosecution or legal decision loss	Minor compliance findings through audit/inspection. Minor court enforcement, prosecution or legal decision challenge	Minor findings through audit/inspection. Minor legal challenge
<b>Strategic/Political /Reputation</b>	Prolonged adverse national media coverage. Long term reduction in stakeholder confidence and reputation. Potential statutory management intervention.	Some adverse national media or prolonged local media coverage. Medium term reduction in stakeholder confidence and reputation	Adverse local media coverage only. Short term loss of stakeholder confidence and reputation	Short term adverse local media coverage. No significant loss in stakeholder confidence or reputation	Local interest/rumours. No loss in stakeholder confidence or reputation

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Score	Likelihood	Single Event Description	Recurring Event Description
5	Very Likely	Very High probability (>90%)	Could occur several times a year
4	Likely	Likely probability (60%-90%)	May arise about once every 1-5 years
3	Moderate	Moderate probability (25% to 60%)	May arise about once every 5 years
2	Unlikely	Unlikely probability (2-25%)	May arise about once every 5 to twenty years
1	Rare	Low probability (<2%) of occurring in next 12 months Frequency of once every 20+ years	Unlikely during the next twenty years

Table 1: Likelihood Table

		Consequence				
		Minor	Moderate	Major	Significant	Extreme
Likelihood	Very Likely	M	M	H	VH	VH
	Likely	L	M	H	H	VH
	Moderate	L	M	M	H	VH
	Unlikely	i	L	M	M	H
	Rare	i	i	L	L	M

Figure 4: Risk Matrix

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