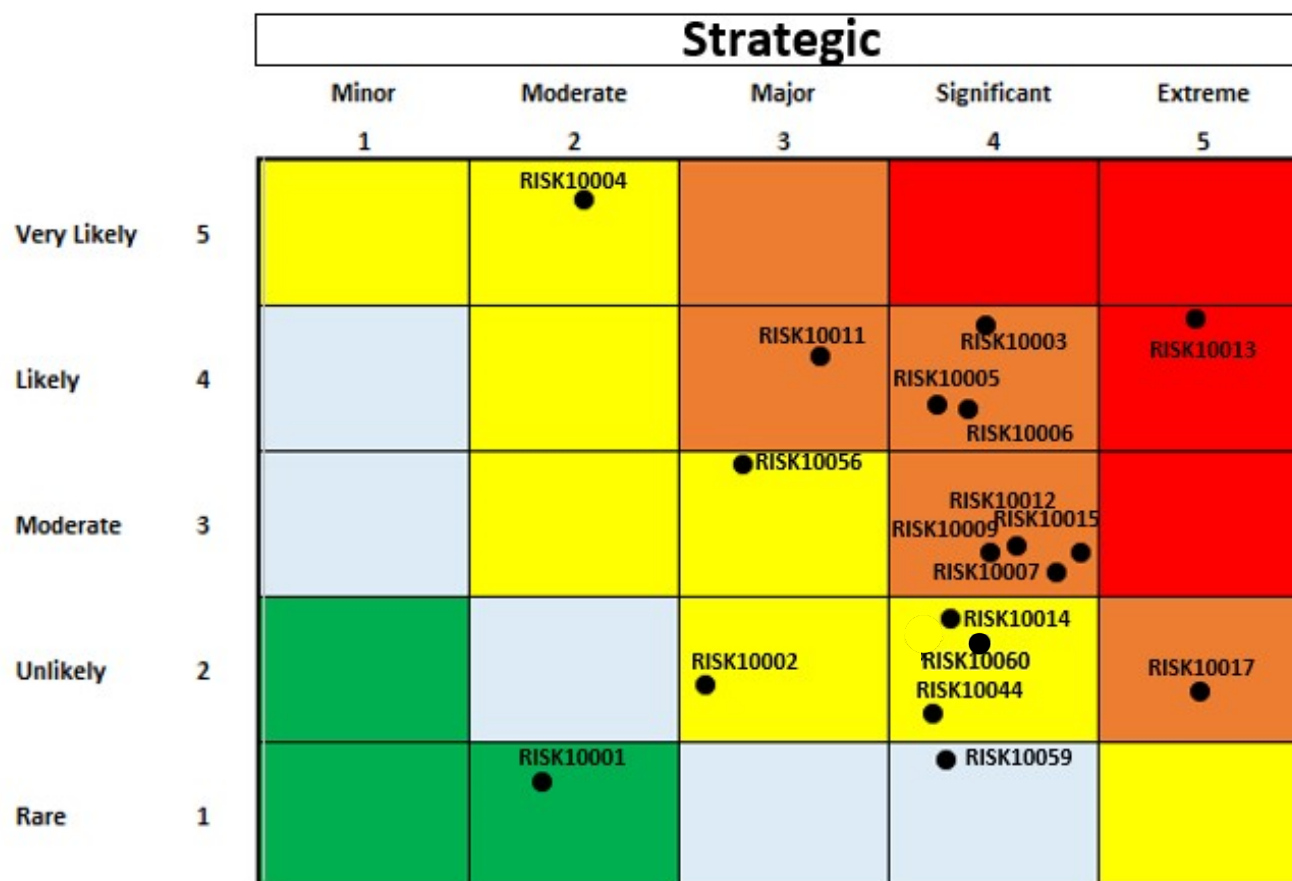
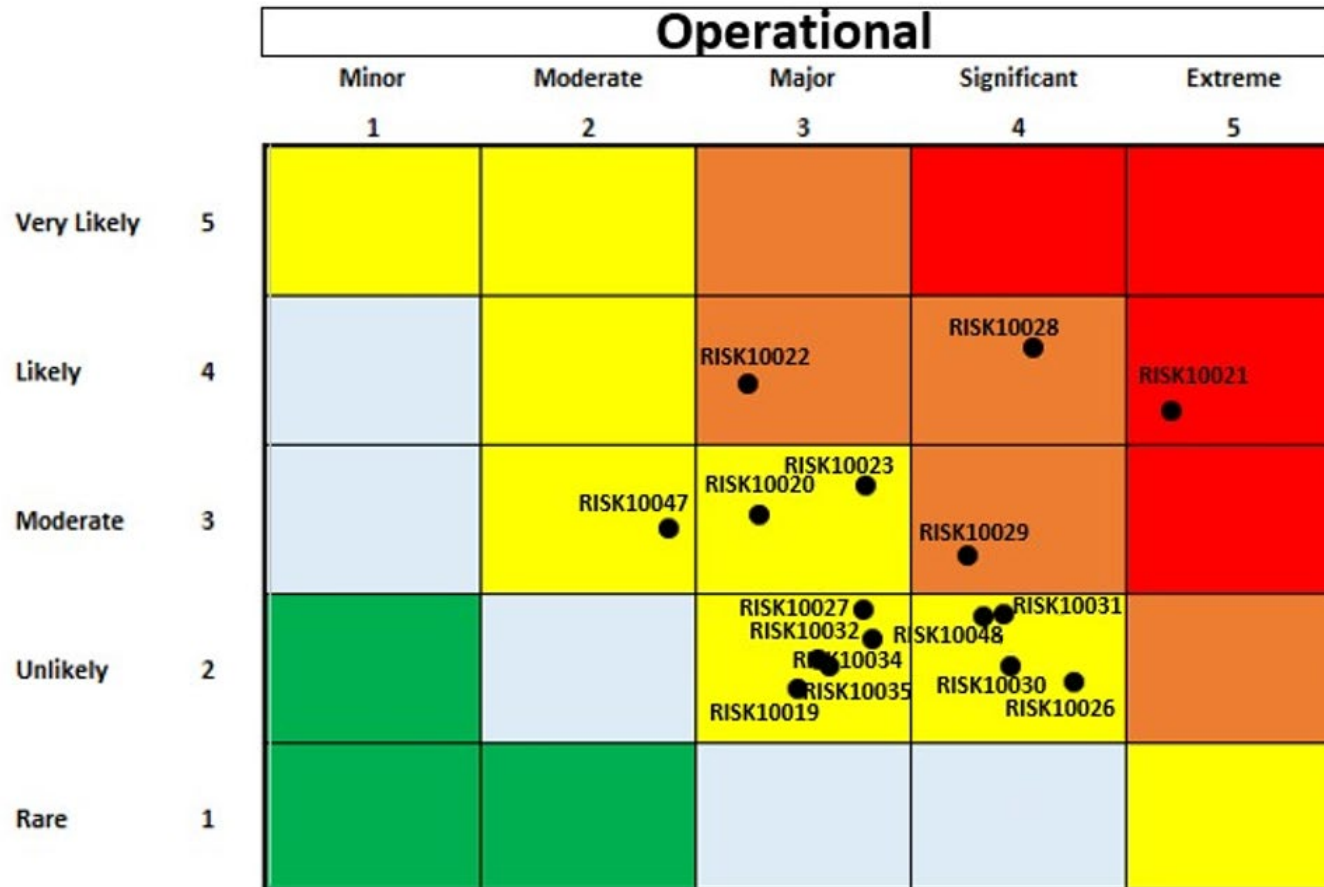


## 1 TIER 1 RISKS SUMMARY

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.





## 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

## Consequence and Likelihood matrices

### Consequence Table

From [QLDC Risk Management Policy](#)

Risk Category/Appetite	Sub-category	Extreme	Significant	Major	Moderate	Minor
Business Continuity	Catastrophic Event	Prolonged loss (>10 days) of all key service functions, or displacement of population >5000 people	Prolonged loss (>10 days) of several key service functions, or displacement of population >1000 people	Short-term loss (<one week) of several key service functions, or displacement of population >100 people	Short-term loss (<one week) of several non-key service functions, or displacement of population >10 people	Short term (<24 hour) loss of isolated service or displacement of population of between 1-10
	Provision of Core Services	Prolonged loss (>10 days) of all key service functions	Prolonged loss (>10 days) of several key service functions	Short-term loss (<one week) of several key service functions	Short-term loss (<one week) of several non-key service functions	Short term (<24 hour) loss of isolated service
	IT Resilience	Prolonged loss (>two weeks) of all key ICT systems or isolated critical systems (>one week).	Prolonged loss (>two weeks) of several key ICT systems, or short-term loss (<one week) of isolated critical ICT systems	Short-term loss (<one week) of several key ICT systems, or prolonged loss (>two weeks) of isolated key ICT systems	Short-term loss (<one week) of several non-key ICT systems, or short-term loss (>one week) of isolated key ICT systems	Short-term loss (<24 hours) of isolated ICT systems
Community & Wellbeing	Quality of Life	Prolonged period (>1 year) of reduced quality of life reported with the majority (> 50%) less than satisfied on at least 3 quality of life metrics	Prolonged period (>1 year) of reduced quality of life reported with a significant proportion of the population (> 25%) less than satisfied on at least 2 quality of life metrics	Prolonged period (>1 year) of reduced quality of life reported with a segment of the community (> 10%) less than satisfied on at least 1 quality of life metrics	Short to medium term (>1 month) of reduced quality of life for small segment of community (50 people to 10% of the population) which will not measurably impact on the Quality-of-Life Survey	Short term (<1 month) of reduced quality of life for small segment of community (<50 people) which will not measurably impact on the Quality-of-Life Survey
	Trust and Customer Satisfaction	Dissatisfaction and loss of long-term support from majority (more than 50%) of community and key stakeholders	Dissatisfaction and loss of long-term support from a significant proportion of community and key stakeholders (more than 25%)	Dissatisfaction and loss of long-term support from a segment of the community and key stakeholders (more than 10%)	Short to medium term (>1 month) dissatisfaction and loss of support from a small segment of the community (<50 people to 10% of the population)	Short term (<1 month) dissatisfaction and loss of support from a small segment of the community (<50 people)
	Health and Safety	Multiple fatalities, or serious injuries or illness (hospital admission) affecting members of the community associated with QLDC activities.	Single fatality, or multiple serious injuries or illnesses (hospital admission) to members of the community associated with QLDC activities.	Injury or illness requiring medical treatment and resulting in hospitalisation for one or more members of the community associated with QLDC activities.	Injury to one or more members of the community requiring medical treatment beyond first aid, but not resulting in hospitalisation.	Minor injury to a member of the community, requiring first aid, or no treatment.
Workforce	Recruitment and retention	Vacancies exceed 40% approved FTE	Vacancies exceed 30% approved FTE	Vacancies exceed 20% approved FTE	Vacancies exceed 10% approved FTE	Vacancies exceed >10% approved FTE
	Diversity and inclusion	Rolling turnover exceeds 40%	Rolling turnover exceeds 30%	Rolling turnover exceeds 20%	Rolling turnover exceeds 10%	Rolling turnover exceeds 40%
	Training and development	Endemic failures in service levels (refer to 'extreme' business continuity category) or prosecution for failing to meet legislative obligations (refer to 'extreme' legal category) or extreme impact on recruitment and retention (refer 'extreme' recruitment and retention sub-category)	Broad failures in service levels (refer to 'significant' business continuity category) or prosecution for failing to meet legislative obligations (refer to 'significant' legal category) or significant impact on recruitment and retention (refer 'significant' recruitment and retention sub-category)	Failures in service levels (refer to 'major' business continuity category) or enforcement for failing to meet legislative obligations (refer to 'major' legal category) or major impact on recruitment and retention (refer 'major' recruitment and retention sub-category)	Failures in service levels (refer to 'moderate' business continuity category) or enforcement for failing to meet legislative obligations (refer to 'moderate' legal category) or moderate impact on recruitment and retention (refer 'major' recruitment and retention sub-category)	Failures in service levels (refer to 'minor' business continuity category) or enforcement for failing to meet legislative obligations (refer to 'minor' legal category) or minor impact on recruitment and retention (refer 'minor' recruitment and retention sub-category)
	Health, Safety and Wellbeing	Multiple fatalities, or serious injuries or illness (hospital admission) associated with activities. Widespread (>50% of employees at least somewhat affected) deterioration in employee wellbeing	Single fatality, or multiple serious injuries or illnesses associated with activities. Significant deterioration in employee wellbeing affecting a significant proportion (>25% of employees at least somewhat affected) of the workforce	Injury or illness requiring medical treatment and resulting in a Lost Time Injury to one or more employees associated with activities. Noticeable deterioration in employee wellbeing affecting a portion (>10% of employees at least somewhat affected) of the workforce	Moderate injury to one or more employees requiring medical treatment beyond first aid, but not resulting in a Lost Time Injury. Some deterioration in employee wellbeing affecting a small portion (>5% of employees at least somewhat affected) of the workforce	Minor injury to employee, requiring first aid, or no treatment. Isolated cases of deteriorating wellbeing.
Environmental	Climate	Damage to property, community facility or infrastructure caused by storm event, flooding, desertification, or land instability, or impact on the economy as a result of climate change (refer to 'extreme' Financial, Business continuity, and Community and Wellbeing Categories)	Damage to property, community facility or infrastructure caused by storm event, flooding, desertification, or land instability, or impact on the economy as a result of climate change (refer to 'significant' Financial, Business continuity, and Community and Wellbeing Categories)	Damage to property, community facility or infrastructure caused by storm event, flooding, desertification, or land instability, or impact on the economy as a result of climate change (refer to 'major' Financial, Business continuity, and Community and Wellbeing Categories)	Damage to property, community facility or infrastructure caused by storm event, flooding, desertification, or land instability, or impact on the economy as a result of climate change (refer to 'moderate' Financial, Business continuity, and Community and Wellbeing Categories)	Damage to property, community facility or infrastructure caused by storm event, flooding, desertification, or land instability, or impact on the economy as a result of climate change (refer to 'minor' Financial, Business continuity, and Community and Wellbeing Categories)
	Air	Deterioration in air quality to a level that may cause an increase in mortality rate and hospital admissions, or prosecution (refer to 'extreme' legal sub-category).	Deterioration in air quality to a level that may cause an increase in medical treatment, or prosecution (refer to 'significant' legal sub-category).	Deterioration in air quality to a level that may cause an increase in 'pharmacy first' (or equivalent) treatment, or enforcement (refer to 'major' legal sub-category).	Deterioration in air quality affecting a localised area that may require health advisory measures to be communicated, or enforcement (refer to 'moderate' legal sub-category).	Short-term localised deterioration in air quality causing nuisance effects only
	Land	Extensive deterioration (>100ha) in land quality, being reduced land productivity or development potential, resulting in an 'extreme' financial cost or equivalent economic loss (refer to 'extreme' financial category)	Significant deterioration (>50ha) in land quality, being reduced land productivity or development potential, resulting in a 'extreme' financial cost or equivalent economic loss (refer to 'extreme' financial category)	Deterioration in land quality (>10ha), causing reductions in land productivity or development potential, resulting in a 'major' financial cost or equivalent economic loss (refer to 'major' financial category).	Deterioration in land quality (>2ha), causing reductions in land productivity or development potential, resulting in a 'moderate' financial cost or equivalent economic loss (refer to 'moderate' financial category).	Minor and localised deterioration in land quality, causing isolated and short-term reduction in land productivity or development potential, resulting in a 'minor' financial cost or equivalent economic loss (refer to 'minor' financial category).
	Water	Deterioration in water quality to a level that may cause an increase in illnesses requiring medical treatment, or prosecution (refer to 'extreme' legal sub-category).	Deterioration in water quality to a level that may cause an increase in illnesses requiring medical treatment, or prosecution (refer to 'significant' legal sub-category).	Deterioration in water quality to a level that may cause an increase in treatments requiring 'Pharmacy First' (or equivalent) interventions, or enforcement actions (refer to 'major' legal sub-category).	Deterioration in water quality affecting a localized area that may require health advisory measures to be communicated, or enforcement actions (refer to 'moderate' legal sub-category).	Short-term localized deterioration in water quality causing nuisance effects only, resulting in health advisories or equivalent minor enforcement actions (refer to 'minor' legal sub-category).



Financial	Funding	Change in funding against annual or long-term plan assumptions >\$20 million	Change in funding against annual or long-term plan assumptions >\$10 million	Change in funding against annual or long-term plan assumptions >\$4 million	Change in funding against annual or long-term plan assumptions >\$1 million	Change in funding against annual or long-term plan assumptions >\$0.5 million
	Financing	Financial loss or unavoidable change in cost >\$20 million	Financial loss or unavoidable change in cost >\$10 million	Financial loss or unavoidable change in cost >\$4 million	Financial loss or unavoidable change in cost >\$1 million	Financial loss or unavoidable change in cost >\$0.5 million
Regulatory/Legal/Compliance	Regulatory	Extreme loss of trust and confidence (refer to 'extreme' trust and confidence category), widespread non-compliance resulting in increase in workload and/or confrontation with those subject to enforcement that leads to extreme Health, Safety and Wellbeing impacts (refer to 'extreme' Workforce Health, Safety and Wellbeing subcategory) extreme legal and financial repercussions (refer to extreme legal and financial subcategories respectively), and associated operational disruptions (refer to 'extreme' Business Continuity category).	Significant loss of trust and confidence (refer to 'significant' trust and confidence category), substantial non-compliance resulting in a significant increase in workload and/or confrontation with those subject to enforcement that leads to significant Health, Safety and Wellbeing impacts (refer to 'significant' Workforce Health, Safety and Wellbeing subcategory), significant legal and financial repercussions (refer to significant legal and financial subcategories respectively), and associated operational disruptions (refer to 'significant' Business Continuity category).	Major loss of trust and confidence (refer to 'major' trust and confidence category), notable non-compliance resulting in a major increase in workload and/or confrontation with those subject to enforcement that leads to major Health, Safety and Wellbeing impacts (refer to 'major' Workforce Health, Safety and Wellbeing subcategory), major legal and financial repercussions (refer to major legal and financial subcategories respectively), and associated operational disruptions (refer to 'major' Business Continuity category).	Moderate loss of trust and confidence (refer to 'moderate' trust and confidence category), moderate non-compliance resulting in a moderate increase in workload and/or confrontation with those subject to enforcement that leads to moderate Health, Safety and Wellbeing impacts (refer to 'moderate' Workforce Health, Safety and Wellbeing subcategory), moderate legal and financial repercussions (refer to moderate legal and financial subcategories respectively), and associated operational disruptions (refer to 'moderate' Business Continuity category).	Minor loss of trust and confidence (refer to 'minor' trust and confidence category), short term (<1 month) minor increase (<10%) in non-compliance, resulting in increase in workload and/or confrontation with those subject to enforcement that leads to minor Health, Safety and Wellbeing impacts (refer to 'minor' Workforce Health, Safety and Wellbeing subcategory) minor legal and financial repercussions (refer to minor legal and financial subcategories respectively), and associated operational disruptions (refer to 'minor' Business Continuity category).
	Legal/Compliance	Prosecution resulting in imprisonment of personnel and/or unrecoverable 'extreme' costs, or requiring a change in operations with associated 'extreme' costs (refer to 'extreme' financial category)	Prosecution with extended national media exposure and/or unrecoverable 'significant' costs, or requiring a change in operations with associated 'significant' costs (refer to 'significant' financial category)	Enforcement with short term national media exposure and/or extended regional or local media exposure and/or unrecoverable 'major' costs, or requiring a change in operations with associated 'major' costs (refer to 'major' financial category)	Enforcement with short term regional media exposure and/or extended local media exposure and/or unrecoverable 'moderate' costs, or requiring a change in operations with associated 'moderate' costs (refer to 'moderate' financial category)	Enforcement with limited local media exposure and/or unrecoverable 'minor' costs, or requiring a change in operations with associated 'minor' costs (refer to 'minor' financial category)
	Compliance	Multiple or isolated breach of statutory duty identified or discovered through audit/ inspection, resulting in 'extreme' financial or reputational cost and/or extreme legal consequences (refer to 'extreme' financial, legal and reputational subcategories).	Multiple or isolated breach of statutory duty identified or discovered through audit/ inspection, resulting in 'significant' financial or reputational cost and/or extreme legal consequences (refer to 'significant' financial, legal and reputational subcategories).	Multiple or isolated breaches of statutory duty identified or discovered through audit/ inspection, resulting in 'major' financial or reputational cost and/or extreme legal consequences (refer to 'major' financial, legal and reputational subcategories).	Isolated breaches of statutory duty identified or discovered through audit/ inspection, resulting in 'moderate' financial or reputational cost and/or extreme legal consequences (refer to 'moderate' financial, legal and reputational subcategories).	Isolated breach of statutory duty identified or discovered through audit/ inspection, resulting in 'minor' financial or reputational cost and/or extreme legal consequences (refer to 'minor' financial, legal and reputational subcategories).
Strategic/Political/Reputation	Strategic	Complete failure to achieve strategic objectives, resulting in extreme financial loss (refer to 'extreme' financial category), extreme operational disruptions (refer to 'extreme' Business Continuity category), extreme political and legal consequences (refer to 'extreme' political and reputational subcategories) or extreme long-term loss of trust and confidence (refer to 'extreme' trust and confidence subcategory).	Significant failure to achieve key strategic objectives, resulting in significant financial loss (refer to 'significant' financial category), significant operational disruptions (refer to 'significant' Business Continuity category), significant political and legal consequences (refer to 'significant' political and reputational subcategories), or significant medium-term loss of trust and confidence (refer to 'significant' trust and confidence subcategory).	Partial failure to achieve important strategic objectives, resulting in major financial loss (refer to 'major' financial category), major operational disruptions (refer to 'major' Business Continuity category), major political and legal consequences (refer to 'major' political and reputational subcategories), or major short-term loss of trust and confidence (refer to 'major' trust and confidence subcategory).	Delays or setbacks in achieving strategic objectives, resulting in moderate financial loss (refer to 'moderate' financial category), moderate operational disruptions (refer to 'moderate' Business Continuity category), moderate political and legal consequences (refer to 'moderate' political and reputational subcategories), or moderate limited-term loss of trust and confidence (refer to 'moderate' trust and confidence subcategory).	Minor delays or adjustments in achieving strategic objectives, resulting in minor financial loss (refer to 'minor' financial category), minor operational disruptions (refer to 'minor' Business Continuity category), minor political and legal consequences (refer to 'minor' political and reputational subcategories), and minor short-term loss of trust and confidence (refer to 'minor' trust and confidence subcategory).
	Political	Government intervention, resulting in imposition of commissioners and removal of democratically elected members, political instability causing extreme operational disruptions (refer to 'extreme' Business Continuity category), extreme financial loss (refer to 'extreme' financial category), extreme political and legal consequences (refer to 'extreme' political and legal subcategories), or extreme long-term loss of trust and confidence (refer to 'extreme' trust and confidence and reputational subcategories).	Political instability causing significant operational disruptions (refer to 'significant' Business Continuity category), significant financial loss (refer to 'significant' financial category), significant political and legal consequences (refer to 'significant' political and legal subcategories), or significant medium-term loss of trust and confidence (refer to 'significant' trust and confidence and reputational subcategories).	Political instability causing major operational disruptions (refer to 'major' Business Continuity category), major financial loss (refer to 'major' financial category), major political and legal consequences (refer to 'major' political and legal subcategories), or major short-term loss of trust and confidence (refer to 'major' trust and confidence and reputational subcategories).	Political instability causing moderate operational disruptions (refer to 'moderate' Business Continuity category), moderate financial loss (refer to 'moderate' financial category), moderate political and legal consequences (refer to 'moderate' political and legal subcategories), or moderate limited-term loss of trust and confidence (refer to 'moderate' trust and confidence and reputational subcategories).	Political instability causing minor operational disruptions (refer to 'minor' Business Continuity category), minor financial loss (refer to 'minor' financial category), minor political and legal consequences (refer to 'minor' political and legal subcategories), and minor short-term loss of trust and confidence (refer to 'minor' trust and confidence and reputational subcategories).
	Reputational	Damage to reputation resulting in extreme loss of trust and confidence (refer to 'extreme' trust and confidence subcategory), extreme financial loss (refer to 'extreme' financial category), extreme operational disruptions (refer to 'extreme' Business Continuity category), or extreme political and legal consequences (refer to 'extreme' political and legal subcategories).	Damage to reputation resulting in significant loss of trust and confidence (refer to 'significant' trust and confidence subcategory), significant financial loss (refer to 'significant' financial category), significant operational disruptions (refer to 'significant' Business Continuity category), or significant political and legal consequences (refer to 'significant' political and legal subcategories).	Damage to reputation resulting in major loss of trust and confidence (refer to 'major' trust and confidence subcategory), major financial loss (refer to 'major' financial category), major operational disruptions (refer to 'major' Business Continuity category), or major political and legal consequences (refer to 'major' political and legal subcategories).	Damage to reputation resulting in moderate loss of trust and confidence (refer to 'moderate' trust and confidence subcategory), moderate financial loss (refer to 'moderate' financial category), moderate operational disruptions (refer to 'moderate' Business Continuity category), or moderate political and legal consequences (refer to 'moderate' political and legal subcategories).	Damage to reputation resulting in minor loss of trust and confidence (refer to 'minor' trust and confidence subcategory), minor financial loss (refer to 'minor' financial category), minor operational disruptions (refer to 'minor' Business Continuity category), and minor political and legal consequences (refer to 'minor' political and legal subcategories).

## Likelihood Table

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

## Risk Level 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