

Risk register update report

Meeting: Audit, Risk and Finance Committee
Date of meeting: 11 March 2021
Reporting officers: Graeme Coleman, Finance & Risk Manager

Purpose/Ngā whāinga

To provide the Audit, Risk and Finance Committee an update on the status of risk identification across the business and then the ongoing management and mitigation of those risks.

Executive summary/Whakarāpopototanga

Following on from the development of a risk management framework in early 2020 and the initial identification of risk ratings, work has been undertaken to create a living risk register. To date 226 risks have been identified across the business with about half of them having been rated in accordance with the framework. Further work will now be done with the business to update the data in the register and further mitigate the residual risks currently recorded.

Recommendation/Ngā tūtohunga

That the Audit, Risk and Finance Committee:

- a) Notes the Risk Register Update Report

Context/Horopaki

Council's risk management framework was developed in March 2020 and risk identification started around that time.

Discussion/Ngā kōrerorero

During the 2019/20 financial year work began on developing a risk management framework (see copy attached) and the identification of key risks within the business that need to be monitored and actively managed. Around the time the framework was complete each business area began identifying and recording risks. We have taken that work to begin the compilation of an overall risk register for the Council.

To date 226 risks have been identified across the business. Each risk is then rated for the inherent risk (the risk without any controls in place) and the residual risk (the risk remaining after controls have been put in place) using the following matrix stated in appendix 4 of the Risk Management Framework.

Consequence	Risk Assessment Matrix					
	Very Significant 5	5	10	15	20	25
	High 4	4	8	12	16	20
	Moderate 3	3	6	9	12	15
	Low 2	2	4	6	8	10
	Minor 1	1	2	3	4	5
		Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Likelihood						

	Extreme Risks will be escalated immediately to the Executive Team. These will also be reported to the Council and the Chair of the Audit, Risk & Finance Committee with any fix or mitigation or not.
	High risks monitored and received monthly by the Executive Team.
	Monitored quarterly.
	Keep risks on the Risk Register and formally review them quarterly to make sure that the Likelihood and Consequence continues to pose a low level.

The table that follows summarises the number of risks identified by business area and the average inherent and residual risk ratings. Please note that these ratings are as determined back in 2020 so work done since then may have changed the current risk profile. The compilation of the risk register has been a work in progress over the last couple of months and now that it is at this stage further work will be done to:

- Update the risks identified
- Update the inherent and residual risk ratings: and
- Follow-up on the actions to further mitigate the remaining residual risks

Note that some of the risks identified have yet to rated for their inherent and residual risks.

Business Area	# of risks identified	Average Inherent Risk	Average Residual Risk
Health & Safety	13	14	12
Customer Services	4	11	10
Building Control	7	13	6
Parks & Recreation - Green Space / Playgrounds / Outdoor Furniture & Fittings / Walkways / Coastal Structures / Camp grounds	24	10	5
Regulatory	11	7	5
Parks & Recreation - General	7	9	4
Parks & Recreation - Cemeteries	12	7	4
Library	21	6	4
Iwi Relations	3	4	4
Parks & Recreation - Public Toilets	9	10	3
IT	9	9	3
People & Capability	9	7	3
Finance & Revenue	10	8	2
Records Management	7	5	2
Property - General *	3	0	0
Property - Pensioner Housing *	13	0	0
Property - Northern Wairoa War Memorial Hall	9	0	0
Roads & Footpaths *	34	0	0
Flood Protection & Control Works *	21	0	0
	226		

* risk grading yet to be completed

The table helps to highlight the areas of the business where further work is required to reduce the residual risks.

A table of the risks has not been attached, as more work has to occur to complete the registers of some departments.

We will now undertake work with each business area to ensure that the register is a living document so that not only the risks identified are regularly updated but also the inherent and residual risk profiles.

Significance and engagement/Hirahira me ngā whakapāpā

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

Next steps/E whaiake nei

This report is for information only and does not trigger legal or delegation implications.

Attachments/Ngā tapiritanga

	Title
A	Risk Management Framework

Graeme Coleman, 15 February 2021