

STRATEGIC RISKS - OCTOBER 2018

Risk No#	Risk Description	Existing Controls	Control Rating	Residual Impact Rating	Residual Likelihood Rating	Residual risk rating	Target	Measures
SR01	Climate Change Failing to appropriately mitigate or prepare for the impacts of climate change	Act & Adapt Strategy Sustainable City Community Action Plan Greening Port Phillip Strategy Don't Waste It! Strategy Move, Connect, Live Strategy	Good	Moderate	Likely	HIGH	MEDIUM	Council Plan SD3 Sustainability Outcome indicators on track 2017/18 -Total Canopy Cover > 20% -Council's greenhouse gas emissions 70% gross emissions -Potable Water use < 211ML -Waste diverted from landfill > 35% Captured in CEO Report No change compared to previous year Act & Adapt: Sustainable Environment Strategy Performance Measures by 2027/28 -Total Canopy Cover > 10% -Council's greenhouse gas emissions 520 gross emissions, 0 net emissions -Potable Water use < 203ML -Waste diverted from landfill > 85%
SR02	Transport & Parking Failure to effectively manage the provision of transport and parking to meet the needs of our growing community	Parking Permit Policy Sustainable Transport Strategy Walk and Bike Plan Car Share Policy Access Plan	Fair	Moderate	Possible	MEDIUM	MEDIUM	% residents using sustainable transport to travel to work, 65% (favourably over target of 58%) Serious collisions, 60 (under target of <127) No schools in ride 2 school day and walk 2 school month, 12 (meeting target of 12) Council Plan SD2 Traffic and Transport Outcome indicators on track in 2017/18 as targets met
SR03	Population Growth Failure to effectively manage population growth	Port Phillip Planning Scheme Municipal Strategic Statement Fishermans Bend Planning & Economic Development Strategy Port Phillip Housing Strategy Precincts Structure plans and urban Design frameworks Play space strategy	Good	Moderate	Possible	MEDIUM	MEDIUM	% residents safe and secure, 82% (under target of >87%) % residents enjoy living in their neighbourhood, 96% (exceeding target of >95%) % of residents agree their local area is vibrant, 95% (meeting target of >95%) planning decisions upheld by VCAT, 61% (under target of >70%) Council Plan SD4 Growth Outcome indicators remain stable in 2017/18
SR04	Demographic & Economic conditions Failure to recognise and effectively manage the impact of changing social and economic conditions on vulnerable members of our community	In our backyard Homelessness Action Strategy Reconciliation Action plan Social Justice Charter Health & Wellbeing Plan Support a range of activities that involve our diverse social and cultural communities	Good	Moderate	Possible	MEDIUM	MEDIUM	% of residents who feel COPP is welcoming, 93% (under target of 95%) social housing as % of stock wellbeing index, no data for 2017/18 (latest result is 71% 2016/17) Council Plan SD1 Diversity Outcome indicators remain stable in 2017/18
SR05	Health, Safety & Environment Failure to provide a safe workplace for all our staff and contractors and to protect the environment and our biodiversity from our activities	OH&S Policy and Plan (Under review) Safe Work Method Statements Safety procedures Health & Safety Committees Health & Safety Reps OH&S Reporting to ELT Incident investigations and corrective actions process OH&S PCG OH&S monthly performance report to ELT Contaminated Sites Safety & Soil Contamination Policy Contaminated Sites Register Environmental Audits undertaken for sensitive Council sites (ongoing) Environmental Audits for other sites where ground works are / have been undertaken i.e. open space (ongoing) Sites Mapped in GIS Contaminated site monitoring and reporting Environmental Audit overlays (Planning)	Fair	Major	Possible	HIGH	MEDIUM	Total recordable injury frequency rate per million work hours, 30.4 (over target of 14.5) *As at Sept 2018, actual is 10.14 (no target has been set for 2018/19) but this result meets target of 14.5 from 2017/18). No. of EPA Clean Up Notices Received - Target less than 1 Possible Measures: Should also capture Worksafe PINs Received. (2017/18 result is 2) Consider capturing Unplanned Leave (unplanned leave 2017/18 is 12.24. 2018/19 YTD result is 3.59 over target of 2.70).
SR06	Asset Management Failure to maintain, renew and expand our assets in a timely and robust way, that considers service delivery needs	Asset Management Framework comprising: Asset Management Plans Asset Management Strategy Road Management Plan Financial strategy including requirement for asset renewal and capital replacement (10 yr Capital Plan) Detailed building condition assessments recorded to component level	Good	Possible	Major	HIGH	MEDIUM	Infrastructure renewal gap, >122% (exceeding target of 100%). Capital replacement, 148% (under target of >150%) NAMAF Asset Maturity - reported annually in Annual Report. Recent assessment showing lower than reported maturity (952 under target of >1000).

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SR07	Good Governance and Legal & Policy Compliance Failure to transparently govern and embrace good governance practices including managing our compliance with relevant legislative requirements	Staff Code of Conduct Councilor Code of Conduct Councilor training and induction Governance Policies and Procedures Conflict of Interest processes Risk Management Policy & Framework Internal Audit Compliance Plan Legislative Compliance Policy and Framework (Draft) Delegation of Authorities Legal compliance training Legal compliance checklists Anastat legal update service Strategic Risk & Internal Audit (SRIA) Live streaming of Council meetings Council resolution tracking process Conflict of Interest targeted training program. Council wide Corporate Governance Framework. Streamlined process of new senior Officer Appointments for completion of Primary Ordinary Returns.	Good	Moderate	Possible	MEDIUM	MEDIUM	Council decisions closed to public. Target 7.93% (under target of <10%) *2018/19 YTD is 5% closed to public Councilor attendance rate at Council meetings: 93.42% (over target of >90%) *2018/19 YTD is 92.8% Community satisfaction with community consultation and engagement: 56 (under target of >60). Community satisfaction with Council decisions: 57 (under target of 60). Audit actions on track: 89% (over target of 80%). *2018/19 YTD result is 81% No. of material legislative breaches: 5 (over target of 0). *2018/19 YTD is 3 Catastrophic and high risk actions on track: 90% (meeting target of 90%). *2018/19 YTD is 90% Measure results remain stable in 2017/18 with 4 out of 7 measures meeting target. Community satisfaction survey results have fallen slightly below target (but remain stable).
SR08	Fraud & Corruption Failure to prevent fraud & corruption risks	Fraud and Corruption Policy - updated policy endorsed by Audit & Risk Committee and ELT. Approved by Council Nov 2017. Fraud & Corruption Training (including Codes of Conduct & Conflict of Interest) Conflict of Interest Policy Protected Disclosure Procedures Fraud & Corruption exposure assessed in Dept. operational risk registers Core compliance audits	Good	Moderate	Possible	MEDIUM	LOW	Possible measure - % of staff received fraud training- target 70%
SR09	Financial sustainability Failure to maintain our long term financial sustainability	Short & long term financial budgeting and planning 10 Year Financial Outlook and Plan Integrated Council Plan Including Financial Strategies and measures, future growth and budget 10 Year project portfolio Electronic financial system Financial & Procurement Policies and Procedures Regular financial performance reporting Investment Strategy	Good	Minor	Unlikely	LOW	LOW	VAGO Financial Sustainability Indicators - overall rating Low - on track
SR10	High Performance workforce Failure to provide leadership and HR practices required to recruit, retain and train a high performing workforce	Culture & Capability Plan Enterprise Bargaining Agreement (flexible workplace) Employee Development Plans Study Assistance Program Training programs for all staff Recruitment Policy Leadership Development Annual Staff Survey and regular HR performance reports eLearning system to support organisation training.	Good	Minor	Unlikely	LOW	LOW	Staff alignment score: 60% (favourably exceeding target >59%). Staff engagement score: 74% (meeting target of >74%) 2017/18 Year-end Employee Plans completed: 97% (under target of 100%). *2018/19 YTD result is 85% as at 25 October 2018
SR11	Project management Council does not select the right projects and / or does not deliver them successfully	Enterprise Project portfolio reporting and monitoring Project Management Framework & System Project policies and procedures Project Manager training Project Control Groups Project prioritisation process	Good	Moderate	Likely	HIGH	MEDIUM	Enterprise Portfolio Projects: 88% (above target of 80%). *Current YTD result 86% as at September 2018 Project management maturity score: 20.4 (slightly under target of >21).
SR12	Contracts and procurement Unable to successfully procure goods and services to assist in the delivery of council projects and services or failure to appropriately manage contracts	Contracts & Procurement Guidelines & Procedures and Policy Contracts and Procurement Training Purchasing limits Collaborative procurement with City of Melbourne and other Councils • Monthly high spend vendor report issued to Managers and Coordinators identifying high level of out of contract expenditure.	Good	Moderate	Possible	MEDIUM	MEDIUM	No breaches of the LGA this financial year.

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SR13	Information technology systems Failure to keep up with technology trends and to provide efficient, reliable, secure technology systems to support the delivery of council services	ICT Strategic Plan ICT Policies Digital and Technology Services Project Control Group Patch management processes Regular audits, pen testing Monthly reporting on ICT service and security ICT Information and security training for users Active monitoring of the shifts in the external technology landscape	Good	Moderate	Likely	HIGH	MEDIUM	Currently being reviewed
SR14	Lobbying industry and State and Federal Governments Failure to form effective partnerships and advocate effectively for the needs of our community	Regular meetings with key stakeholders including State Ministers, Departments and Agencies Advocacy priorities (Council Plan) Core Council Strategies (e.g. ITS)	Good	Moderate	Possible	MEDIUM	MEDIUM	Community satisfaction with advocacy, 56 (under target of 60)
SR15	Business Continuity Failure to plan adequately for the impacts of a disruption to Council's normal operating environment	Business Continuity Plan (Under review) Disaster Recovery Plan (DR) Annual simulation testing exercises Business Impact Assessments (BIAs)	Good	Minor	Unlikely	MEDIUM	MEDIUM	Annual DR and BCP simulation exercise successfully undertaken.