

STRATEGIC RISKS - November 2017

Risk No	Risk Description	Existing Controls	Control Rating	Residual Impact Rating	Residual Likelihood Rating	Residual risk rating	Target	Measures	Actions	Who	When	Status	Comments
SR01	Climate Change Failing to appropriately respond to or prepare for the impacts of climate change	Towards Zero Strategy Climate Adaption Plan Water Plan Greenhouse Plan Community Climate Action Plan Sustainable Transport Strategy Greenhouse / Climate Change Indicators Parks & Open Space Strategy Greening Port Phillip Plan	Good	Moderate	Likely	HIGH	MEDIUM	Council Plan SD3 Sustainability Outcome indicators on track 2017/18 -Total Canopy Cover > 20% -Council's greenhouse gas emissions < 71% -Potable Water use < 211.5ML -Waste diverted from landfill > 35% Captured in CEO Report No change compared to previous year	Embed sustainability in: asset management policy - completed asset management strategy - draft completed. Going through refinement process prior to being endorsed by Council asset management plans - all in place. Continuous review next scheduled for Dec/Jan. ----- Continue to measure, reduce and report on emission reductions including developing a baseline for community emissions - on track ----- Develop a new Sustainable Environment Strategy - on track ----- Develop and begin implementation of a new Sustainable City Community Action Plan - on track ----- Work with partners to implement the Integrated Water Management Framework for Victoria and develop a long-term action plan for Elster Creek catchment - on track ----- Continue to deliver a program of WSUD infrastructure and stormwater harvesting	Mgr. Asset Mngt & Property ----- Mgr. Open Space & Mgr Sustainability & Transport Mgr. Asset Management & Property ----- Acting Coord Sustainable Policy	30/06/2017 30/06/2018		
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	Council Plan SD2 Traffic and Transport Outcome indicators on track 2017/18 - % residents using sustainable transport to travel to work - 58% -Serious collisions - <60 -no schools in ride 2 school day - 12 - no schools in walk 2 school month-19 No updated data - currently not available	Develop a new Integrated Transport Strategy - on track Continue to deliver Walk Plan & Bike Plan, Safer Streets and Blackspot infrastructure programs and to increase the number of car share spaces across the city - on track	Mgr. Sustainability & Transport Mgr. Safety & Amenity	30/06/2018		
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	Council Plan SD4 Growth Outcome indicators on track -% residents safe and secure - 85% % residents enjoy living in their neighbourhood - 95% % of residents agree are is vibrant - 95% - planning decisions upheld by VCAT - >70% Survey Results - achieved target	Develop and implement a Place Management Strategy for FBURA ----- Develop a new waste management and resource recovery strategy - on track Review the Port Phillip Municipal Strategic Statement ----- Embed population growth in service and asset planning - BAU on track	Mgr. Strategy & Growth ----- Mgr Strategy & Growth, Mgr Sustainability & Transport, Mgr Maintenance & Renewals ----- Mgr. Strategy & Growth ----- Mgr. Asset Mngt & Property EM SBI			
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	Council Plan SD1 Diversity Outcome indicators on track % of residents who feel COPP is welcoming -social housing as % of stock wellbeing index Achieving target - no change Awaiting data from Department of Housing	Implement the - In Our Backyard Strategy Homelessness Action Strategy 2015-20 - continue to implement Develop the Health & Wellbeing Plan Implementation Strategy - on track	Mgr Strategy & Growth Mgr Comm Health & Service Planning Mgr Comm Health & Service Planning			

All risk Actions are on track
 One risk action exceeds the expected completion date
 Two or more risk actions exceed expected completion date




STRATEGIC RISKS - November 2017

Risk No	Risk Description	Existing Controls	Control Rating	Residual Impact Rating	Residual Likelihood Rating	Residual risk rating	Target	Measures	Actions	Who	When	Status	Comments
SR05	<p>Health, Safety & Environment</p> <p>Failure to provide a safe workplace for all our staff and contractors and to protect the environment and our biodiversity from our activities</p>	<p>OH&S Policy and Plan (Under review)</p> <p>Safe Work Method Statements</p> <p>Safety procedures</p> <p>Health & Safety Committees</p> <p>Health & Safety Reps</p> <p>OH&S Reporting to ELT</p> <p>Incident investigations and corrective actions process</p> <p>OH&S PCG</p> <p>OH&S monthly performance report to ELT</p> <p>Contaminated Sites Safety & Soil Contamination Policy</p> <p>Contaminated Sites Register</p> <p>Environmental Audits undertaken for sensitive Council sites (ongoing)</p> <p>Environmental Audits for other sites where ground works are / have been undertaken i.e. open space (ongoing)</p> <p>Sites Mapped in GIS</p> <p>Contaminated site monitoring and reporting</p> <p>Environmental Audit overlays (Planning)</p>	Fair	Major	Possible	HIGH	MEDIUM	<p>Total recordable injury frequency rate per million work hours - Target 17/18 < 14.5</p> <p>As at Oct 2017, YTD actual at 14.4 - on track.</p> <p>No. of EPA Clean Up Notices Received - Target less than 1</p>	<p>Establish and implement the 91 point OH&S Plan and review the OH&S Policy - 31 out of 91 actions have been closed out.</p> <p>Consider Environmental Management Plan - I&A to recruit Environment Consultant 30 Nov 2017</p> <p>Developing Policy and Soil Contamination Management Plan</p>	<p>Mgr OH&S</p> <p>Mgr. Open Space & Recreation</p>	30/09/2018		Due to staff turnover we are facing some short-term workload issues in OHS and Injury Management – Actions slightly off track.
SR06	<p>Asset Management</p> <p>Failure to maintain, renew and expand our assets in a timely and robust way, that considers service delivery needs</p>	<p>Asset Management Plans (Under review)</p> <p>Asset Management Strategy (Under review)</p> <p>Road Management Plan</p> <p>Asset Management Policy</p> <p>Financial strategy including requirement for asset renewal and capital replacement (10 Yr Capital Plan)</p>	Good	Possible	Major	HIGH	MEDIUM	<p>- Infrastructure renewal gap >100% - on track</p> <p>- Capital replacement >150% - slightly off track / negative movement</p> <p>NAMAF Asset Maturity - reported annually in Annual Report. Recent assessment showing lower than reported maturity.</p>	<p>Establish a new Asset Management Strategy - draft completed</p> <p>Establish Asset Management Policy - completed</p> <p>Establish 10 year Asset Management Plans</p> <p>- 1st generation completed</p> <p>- Refine future (data)</p> <p>Review processes and procedures in compliance with ISO 55000</p> <p>Upgrade the Asset management system</p> <p>Establish Service and Asset Planning Steering Team</p>	<p>Mgr. Asset Management & Property</p> <p>EM SBI</p>	<p>30/06/17</p> <p>31/12/17</p> <p>30/06/18</p> <p>30/06/17</p>		At risk because most recent NAMAF Asset Maturity showing lower than reported maturity. Actions to address will be provided in Asset Management Strategy

All risk Actions are on track
 One risk action exceeds the expected completion date
 Two or more risk actions exceed expected completion date

STRATEGIC RISKS - November 2017

Risk No	Risk Description	Existing Controls	Control Rating	Residual Impact Rating	Residual Likelihood Rating	Residual risk rating	Target	Measures	Actions	Who	When	Status	Comments
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 Councillor Code of Conduct Councillor 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 Risk Management Policy and Framework Legal compliance checklists Anstat legal update service	Fair	Moderate	Likely	HIGH	MEDIUM	LGPRF Governance Indicators on track - Council decisions closed to public. Target 17/18 - <10% - Councillor attendance rate at Council meetings Target 17/18 - >90% - Audit actions on track <i>Evidence Based Compliance Reporting:</i> - No of non compliances <i>No. of Breaches Target = 0 2 reported in September 2017 in CEO Report</i>	Streamline the process of new senior Officer appointments and requirements for completion of the Primary Ordinary Returns with both Finance and Culture & Capability. Determine the target audience for, and frequency of Conflict of Interest training, and develop and roll out a training program to those identified as the target audience. Implement the recommendations of the Governance Audit Implement Council resolution tracking ✓ Introduce Live streaming of Council mtgs ✓ Risk Management & Compliance Solution Rolling review of organisational policies Extend Compliance Framework to include all compliance commitments including organisational policies and procedures, Committees of Management, standards, leases and licences.	CGO CGO CGO EM, SBI EM, SBI EM, SBI			Residual risk has been changed to High. This is because: - 2 material breaches reported to date - one privacy and one procurement. - Recent audits have demonstrated controls related to staff training and root cause analysis require improvement. -Emerging issues of building cladding compliance are a risk to Council (refer to HIGH operational risk CD9 - Failing to identify and respond appropriately to multi level buildings that have non compliant, non fire resistant composite aluminium cladding attached to external walls).
SR08	Fraud & Corruption Failure to prevent fraud & corruption risks	Fraud and Corruption Policy Fraud & Corruption Training Codes of Conduct Conflict of Interest Policy Protected Disclosure Procedures Fraud & Corruption exposure assessed in Dept. operational risk registers Core compliance audits	Good	Moderate	Possible	MEDIUM	LOW	<i>% of staff received fraud training- target 70%</i>	Implementing any recommendations from core compliance audits - ongoing as required Re-establish committee with oversight of Fraud and Corruption prevention activities - completed Update Council's Fraud & Corruption Control Policy (including roles and responsibilities) - updated policy endorsed by Audit & Risk Committee and ELT. To be approved by Council Nov 2017. Conduct regular Fraud & Corruption Training for appropriate staff - budget allocated. Rollout further training from early 2018	EM SBI EM SBI EM SBI EM SBI CGO / EM SBI	31/10/2017 31/10/2017 30/11/2017 30/04/2017		Additional funding has been allocated towards further fraud & corruption awareness training to strengthen controls.
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	Replace Council's financial system to improve financial management capability and review our rating strategy	CFO			
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	Good	Minor	Unlikely	LOW	LOW	Staff Engagement Score - Target 17/18 >74% - no change / below targets Staff Alignment Score - Target 17/18 - >59% - no change / below targets	Introduce an eLearning capability to support face to face training Develop strategies to improve staff engagement and alignment scores and reduce staff turnover Develop a workforce plan aligned to new Council Plan & Budget	Mgr. Culture & Capability			

 All risk Actions are on track
 One risk action exceeds the expected completion date
 Two or more risk actions exceed expected completion date

STRATEGIC RISKS - November 2017

Risk No	Risk Description	Existing Controls	Control Rating	Residual Impact Rating	Residual Likelihood Rating	Residual risk rating	Target	Measures	Actions	Who	When	Status	Comments
SR11	Project management Council does not select the right projects and / or does not deliver them successfully	EPMO 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 On Track Target 17/18 - 80% - above target @ 94% for Sept 2017 Project management maturity score Target 17/18 - >21 (out of a possible 30) currently below target	Implement the project management capability uplift program Develop and Implement a benefits realisation process Review project delivery performance	Executive Manager EPMO			At risk because heated construction market is impacting our ability to procure services we need to deliver projects and planned project management training has been shifted to 2018.
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	Fair	Moderate	Likely	HIGH	MEDIUM	Breaches of LGA tender thresholds - Target 17/18 - Nil As at Oct 2017, 1 reported. <i>% of relevant staff received procurement training - 90%</i>	Establish process for managing and recording contractors performance Review Procurement Policy On line contract & procurement training	CFO			Residual risk has been reassessed to high because of recent internal audit identified a high risk policy gap in our contract management guidelines and there have been 2 instances where we have breached section 186 of the local government act in the last twelve months. Additional actions are being put in to address this.
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 Strategy (Under review) ICT Policies Technology Transformation Project Control Group Patch management processes Regular audits, pen testing Monthly reporting on BT service and security	Good	Moderate	Likely	HIGH	MEDIUM	<i>Currently being reviewed</i>	Continue to roll out the Business Technology Transformation and improvement program ICT Strategy and Enterprise Architecture Plan Core Applications and Infrastructure renewal and upgrades	Mgr. BT Mgr. BT			
SR14	Lobbying industry and State and Federal Governments Failure to form effective partnerships and advocate effectively for the needs of our community	Communications and Engagement Strategy Regular meeting with key stakeholders Strategic Relations Plan Advocacy priorities (Council Plan)	Good	Moderate	Possible	MEDIUM	MEDIUM	Community satisfaction with advocacy (index) Target 17/18 - 60 NB - No current data. Last available Feb 2017	Advocate to the Victorian Government for access to Fishermans Bend development contributions to support delivery of community infrastructure. Advocate for a cost-shift index to be applied to the Victorian Government cap on rates increases.	E/Team			
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 (BT) Annual simulation testing exercises BCP Committee	Fair	Moderate	Unlikely	MEDIUM	LOW	<i>Annual DRP and BCP simulation exercise successfully undertaken.</i>	Simplify the BCP and consider electronic incident or activation notifications and USB access - consultant engaged. 50% through project.	Executive Manager SBI	31/03/2017		

	All risk Actions are on track
	One risk action exceeds the expected completion date
	Two or more risk actions exceed expected completion date