

# Organisational Risk Impact and Likelihood Statements

	Financial	FNDC Customer (ratepayer, resident and/or other occupant)		Reputation	Compliance / Legal	Health & Safety																														
Impact if risk is left "as is":	Impact on Budget, Department or Team; and /or Impact on annual Council budget in \$	Financial impact to customer	Customer impact due to loss of a provision of essential service, or essential piece of infrastructure	The impact on FNDC's reputation	The legal impact on FNDC's legal adherence / regulatory compliance	The impact to people(s) health & safety arising from FNDC operations or a situation where FNDC are liable																														
<b>High to Intolerable</b>	<ul style="list-style-type: none"> <li>&gt;10% of project or departmental budget;</li> <li>&gt;\$100,000 OPEX pa impact to Council budget; and/or</li> <li>≥ 0.3% rates increase</li> </ul>	>\$10k	<table border="1"> <tr> <td rowspan="4">People (Far North population)</td> <td>&gt; 1000</td> <td></td> <td></td> <td></td> </tr> <tr> <td>6 to 1000</td> <td></td> <td></td> <td></td> </tr> <tr> <td>&lt;6</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>&lt;12</td> <td>12-24</td> <td>&gt;24</td> </tr> <tr> <td colspan="5">Hours (delay)</td> </tr> </table> <table border="1"> <tr> <th colspan="2">Key to impact</th> </tr> <tr> <td>Intolerable</td> <td></td> </tr> <tr> <td>Medium</td> <td></td> </tr> <tr> <td>Low to None</td> <td></td> </tr> </table>	People (Far North population)	> 1000				6 to 1000				<6					<12	12-24	>24	Hours (delay)					Key to impact		Intolerable		Medium		Low to None		<ul style="list-style-type: none"> <li>External reputation severely damaged, considerable effort and expense required to recover e.g.                             <ul style="list-style-type: none"> <li>2-5 years to re-establish confidence;</li> </ul> </li> <li>Loss of national trust &amp; confidence including government such as:                             <ul style="list-style-type: none"> <li>Trending presence in national and international media; and/or</li> </ul> </li> <li>&gt; 15% staff turnover pa and/or turnover of organisational critical roles</li> </ul>	<ul style="list-style-type: none"> <li>FNDC get challenged and are found to be non-compliant with :                             <ul style="list-style-type: none"> <li>appointment of a commissioner under the LGA;</li> <li>criminal conviction and/or fines, penalties; or</li> <li>legal exposure in excess of \$500,000; and/or</li> </ul> </li> <li>Contract: termination of contract (breach / default etc.)</li> </ul>	Any loss of life  Serious injury / disability (as defined by the Act) to one or more lives and/or Public Health outcome
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<b>Medium</b>	<ul style="list-style-type: none"> <li>1% - 10% of project or departmental budget; and/or</li> <li>\$50,000 to \$100,000 OPEX pa impact to Council budget and/or</li> <li>0.1 to 0.3% rates increase</li> </ul>	\$5k - \$10k	<ul style="list-style-type: none"> <li>External reputation damaged, effort and expense is required to recover; and/or</li> <li>Loss of regional trust &amp; confidence including iwi, funding partners and elected members such as:                             <ul style="list-style-type: none"> <li>Presence in regional/local media only; and/or</li> <li>1-2 years to re-establish confidence.</li> </ul> </li> <li>10- 15% staff turnover pa with "normal" turnover of organisational critical roles</li> </ul>	<ul style="list-style-type: none"> <li>FNDC get challenged and are found to be non-compliant with                             <ul style="list-style-type: none"> <li>fines, penalties or legal exposure &lt;\$500,000</li> </ul> </li> <li>Contract: receive written notice form the contractor threatening termination if not rectified</li> </ul>	Minor harm and/or isolated recoverable illness																															
<b>Low to None</b>	<ul style="list-style-type: none"> <li>&lt; 1% of project or departmental budget; and/or</li> <li>&lt;\$50,000 OPEX pa impact to Council budget and/or</li> <li>&lt;0.1 rates increase</li> </ul>	<5k	<ul style="list-style-type: none"> <li>External reputation minimally affected, little effort or expense required to recover; and/or</li> <li>Loss of stakeholder trust &amp; confidence at local level                             <ul style="list-style-type: none"> <li>Presence in local media only; and/or</li> <li>&lt;1 year to re-establish confidence.</li> </ul> </li> <li>&lt;10% staff turnover pa</li> </ul>	<ul style="list-style-type: none"> <li>Might be challenged or threat of litigation:                             <ul style="list-style-type: none"> <li>but are compliant; or</li> <li>have the appetite to tolerate non-compliance cost (treating exceeds legal penalty we could receive.)</li> </ul> </li> <li>Contract: receive verbal advice that, if breaches continue a default notice may be issued; or results in meeting between two parties in which contractor expresses concern</li> </ul>																																

Probability:	
<b>Will happen</b>	The risk is likely to occur. There is frequent exposure to the risk. There are external influences that make managing this risk ineffective.
<b>Probable</b>	The risk will possibly occur e.g. once in every 2 year event There is an exposure to the risk. There are external influences that make managing this risk difficult.
<b>Unlikely</b>	The risk is unlikely to occur e.g. once in every 10 year event There is a low exposure to the risk.

Score by impact and likelihood			
High to Intolerable	5	7	9
Medium	3	5	7
Low to None	1	3	5
	Unlikely	Probable	Will happen