



Quarterly Risk Report

February 2026



Executive Summary

- This report provides a progress update on the 2026 Risk Management Work Plan.
- It notes the proposed sessions and timelines for the annual reset of Top Risks, and addresses questions raised at the December meeting.
- A 'Top Risks' update is provided along with the reporting of some of the 'Top Risks' Key Risk Indicators (KRIs) and a status update on the implementation of proposed new mitigation controls. This information is important in enabling the Committee to perform their risk governance oversight role, as it can provide assurance that existing controls are operating and planned controls are introduced.
- An emerging risks commentary is also provided, sourced from Aon.

Risk Management Work Plan 2026



A 2026 Risk Management roadmap was agreed by the September RAC meeting, and confirmed by the new triennium RAC in its December meeting:

Risk Maturity Assessment	Re-assess current levels of risk maturity to measure increases since initial assessment in 2025	Programmed for reporting in June 2026, a year after initial assessment
Embed Risk Management	Complete and adopt the Risk Management Framework and embed it in the organisation via training and awareness programmes, and intentional leveraging of a risk lens into organisational culture so it becomes “how we operate”	This work is continuing and scheduled for fuller reporting back at the June RAC meeting
Business Resilience	Development of a Business Resilience Framework, further review of current Business Continuity Plans (BCPs) in critical activities to ensure adequacy, and development of a template that can be used for future iterations	Work is progressing and is also scheduled for a fuller report back at the June RAC meeting

Annual Reset of Top Risks 2026/27

The following is proposed:

April / May	Workshop session for RAC members and all other EMs, focussing on Top Risks, Risk Appetite and Risk Maturity
June RAC	RAC considers and formally recommends Risk Appetite settings for next 12 months (to be confirmed by June or July Council)
Workshop alongside June RAC	Annual setting of Top Risks Workshop for RAC and all other EMs / Exec, will develop basis of agreed Top Risks for 2026/27
October RAC	RAC considers and formally recommends Top Risks document for 2026/27 for Council approval (to be confirmed by Oct or Nov Council)



Follow-ups from December 2025 Meeting

Responses to Quarterly Risk Report (QRR) follow-up matters from December meeting:

- **Risks associated with Top Risks being outside appetite** – a prompt has been added to the Deep Dive template, and this will also be specifically considered in the annual reset of the Top Risks
- **Reporting of Failures of Top Risk Controls** – Executive will provide positive assurance in each QRR that there are either no known Top Risk control failures, or detail if there has been. There have been no known failures in the past quarter.

Top Risks Update

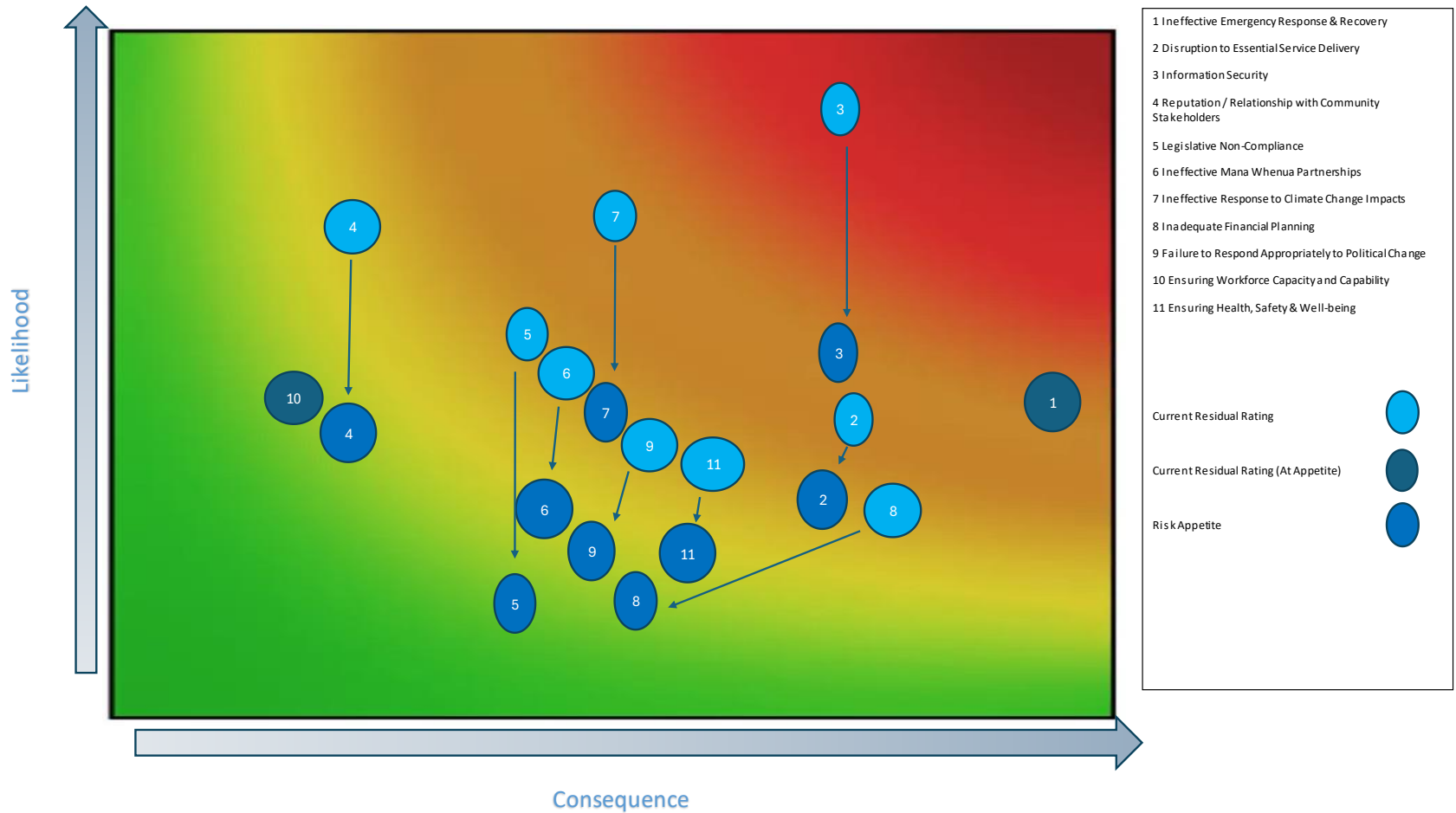
SUMMARY OF TOP RISKS

	1	2	3	4	5	6	7	8	9	10	11
	Ineffective Emergency Response & Recovery	Disruption to Essential Service Delivery	Information Security	Reputation / Relationship with Community Stakeholders	Legislative Non-Compliance	Ineffective Mana Whenua Partnerships	Ineffective Response to Climate Change Impacts	Inadequate Financial Planning	Failure to Respond Appropriately to Political Change	Ensuring Workforce Capacity and Capability	Ensuring Health, Safety & Well-being
INHERENT RISK RATING											
Consequences	Extreme	Very High	Very High	High	High	High	High	Very High	High	High	Extreme
Likelihood	Almost Certain	Almost Certain	Almost Certain	Likely	Likely	Almost Certain	Likely	Possible	Likely	Likely	Likely
INHERENT RISK RATING	EXTREME	EXTREME	EXTREME	VERY HIGH	VERY HIGH	VERY HIGH	VERY HIGH	VERY HIGH	VERY HIGH	VERY HIGH	EXTREME
CURRENT RESIDUAL RISK RATING											
Consequences	Extreme	Very High	Very High	Moderate	High	High	High	Very High	High	Moderate	High
Likelihood	Possible	Possible	Almost Certain	Likely	Possible	Possible	Likely	Unlikely	Possible	Possible	Possible
CURRENT RISK RATING	VERY HIGH	VERY HIGH	EXTREME	HIGH	HIGH	HIGH	VERY HIGH	HIGH	HIGH	MODERATE	HIGH
RISK APPETITE											
Consequences	Extreme	Very High	Very High	Moderate	High	High	High	High	High	Moderate	High
Likelihood	Possible	Unlikely	Possible	Possible	Rare	Unlikely	Possible	Unlikely	Unlikely	Possible	Unlikely
RISK APPETITE RATING	VERY HIGH	HIGH	VERY HIGH	MODERATE	LOW	MODERATE	HIGH	MODERATE	MODERATE	MODERATE	MODERATE
TREND IN RISK STATUS											
TREND	↔	↑	↔	↔	↔	↔	↔	↔	↑	↔	↔

The trend indicators for Risks #2 and 9 have been updated to reflect a trend up in those risks. This is about the more ‘intrinsic’ and ‘fundamental’ nature of these risks as we move towards our Waikato Waters Limited transition date (for risk #2), and as the Central Government reform programme grows (for risk #9), rather than anything we are experiencing substantively at Matamata-Piako District Council at this stage. Both of these matters are creating increased pressure on staff as they respond to these significant matters on top of the business as usual. Mitigations are already in place and an active watching brief is maintained on these risks within the organisation.

Top Risks Update

TOP RISKS HEAT MAP



Top Risks Update

KEY RISK INDICATORS

In confirming our Top Risks in June, we also identified Key Risk Indicators (KRIs) which give us assurance that the controls for those Top Risks are in place and working. This section of the report shows the KRIs. We'll continue to report these quarterly so the Committee can have confidence that our controls are either working well, or we are aware and can intervene if they aren't.

Ineffective Emergency Response and Recovery (Risk #1)

Emergency Management—Current Status

- ✓ New sub-regional CDEM (Civil Defence Emergency Management) arrangement in place with Matamata-Piako, Hauraki and South Waikato DCs
 - ✓ EMM (Emergency Management Manager) appointed 1/9/25
 - ✓ Critical positions of Controller, Recovery Manager, Emergency Management Officer (EMO), Welfare Manager, Response Manager, and all function managers filled and/or in training. Three of these completed critical training for these statutory positions in November
 - ✓ Quarterly update to Council 24 Sept. Emergency Management induction sessions with new Council 23 Oct and 6 Nov. Marae work shops.
- 68%** Score achieved in May 2025 annual exercise (from approved assessor) — an increase on previous and classed as 'Advancing'

Action Plans are being worked up—these are on track with the determined timelines.

Regionally consistent Performance Measures have been proposed for the CEG (Co-ordinating Executive Group), these are generally aligned with what is already in place, for example the carrying out of an annual exercise, having 25% of Council staff trained in Emergency Management, community satisfaction levels.

Disruption to Essential Service Delivery (Risk #2)

Regulation and Compliance

Taumata Arowai — In line with their normal activity, Taumata Arowai has provided a letter of expectation to Council in relation to Drinking Water Supply upgrades and compliance monitoring. This sets out specific actions (Pohomihi raw water supply (Te Aroha), and Drinking Water Safety Plan updates) required by certain dates over the 2025/26 year. This work programme is largely in hand. That said, due to a delay in applying for the RMA water take consent renewal for Te Aroha, there is an emerging risk with the current water take consent which limits the taking of water during certain environmental conditions. This means one of the options for Pohomihi water users may be at risk due to this condition. The Project team are working on an appropriate response to be discussed with WRC.

Waikato Regional Council— There has been no resource consent enforcement action by WRC over the past two months. Relationship meetings with WRC are continuing and remain positive. A risk we face in the wastewater space is the need to progress a strategy for the desludging of our various ponds as they are nearing capacity and have reduced freeboard during heavy rainfall, the Te Aroha and Matamata plants are the priority.

Backflow management in our Water reticulation systems — While not raised as an issue by Taumata Arowai, this is something that is recognised by compliance staff as a risk to our water networks. There is a significant backlog in relevant properties providing proof of annual inspection and certification of devices. This will be a lengthy exercise to address but is imperative. The team is currently discussing a strategy to address this backlog and is likely to kick off with a comprehensive survey of all existing devices in the district, a determination of device risk classification, and also determining areas where backflow may be required in order to reduce contamination risk to our water networks. This strategy will include discussions with property owners as well as some form of education approach.

Top Risks Update

KEY RISK INDICATORS

Disruption to Essential Service Delivery (Risk #2)

Standard Operating Procedures (SOPs) for Treatment Plant Operations

Council waters staff have advised that the Lockerbie and Morrinsville Wastewater Treatment Plant SOPs are considered fully up-to-date and fit for-purpose. They note that other plants require review to ensure SOP completeness, currency, and fit-for-purpose.

The Team have decided to incorporate an SOP review as part of a wider initiative aimed at determining operational staff competency and re-implementing our Licence To Operate (LTO) framework, the framework is a resource for staff and holds all operational policies and procedures for all our plants. The review of the SOPs is intended to update and align SOPs not only in the LTO but also ensure that updates are applied to Promapp. The Team is currently reviewing an offer of service for this initiative which is likely to take up to 6 months to complete.

Vulnerability of Networks

Wastewater reticulation— Overflows	A comprehensive register of Wastewater Overflows (All conditions eg Wet Weather, Dry, Bursts) has been maintained since the beginning of the 2025 calendar year. A total of 35 events were recorded across the entire network in the 2025 calendar year, and 6 events recorded in January 2026. For all these events Matamata-Piako District Council has met all statutory obligations under the Resource Management Act 1991, including the timely reporting, notification, and follow-up of wastewater spill events to Waikato Regional Council in accordance with all applicable regulatory requirements.
Wastewater reticulation— Modelling	Comprehensive Wastewater modelling work was completed for the Matamata and Morrinsville networks in 2024. This modelling work (including the identification of any network vulnerabilities) has informed the network master planning work.
Water Treatment and Supply	There is risk with turbidity levels impacting treatment. Turbidity causing treatment plant shut-down is a relatively common issue for the Tills Road, Matamata water treatment plant. Districtwide, and whilst there is reasonable resilience in the system with reservoir storage, as time goes by, and severe weather events become more common, this resilience will be severely tested and even supplies that have supplementary bore supplies will still be affected in the future.
Transport Networks	Two known points of vulnerability exist, both on the Waihou River Flood Plain. These sections of road may have to be closed for short periods of time once or twice a year. Alternative routes exist and because this is flood plain remedial works are not possible.

Deep Dive—There is a Deep Dive into Risk #2 at the February RAC meeting, refer that report for further information on this Top Risk.



Top Risks Update

KEY RISK INDICATORS

Information Security (Risk #3)

SAM for Compliance* Score	
September 2025	85.05%
September 2024	75.36%
Year-on-Year ↑	9.69%

*The SAM acronym originally stood for Self Assessment and Monitoring

Privacy Breaches November 2025 to January 2026

Three, all classed as non-reportable:

- LIM sent to wrong email
- Cemeteries information supplied to incorrect customer
- Libraries information supplied to incorrect customer

Independent Cybersecurity Audit

The results of the independent Cybersecurity review conducted by KAON Security were presented to the Risk and Assurance Committee in a Public Excluded item at its September 2025 meeting. The IT team is working through a 2025/26 Improvement Plan which seeks to address the recommendations of that report.

Workstream	Current %	Comment
Documentation and Evidence	60%	ASD8 Blueprint identified. Processes, policy and documentation in progress.
MFA Coverage	40%	Online service register in progress
Script Control	80%	Pilot solution in testing

Cybersecurity Key Stats

Reporting Period: 1 December 2025 to 31 January 2026
Sources: Trustwave MailMarshal, Sophos Endpoint Antivirus, Sophos XGS Firewall

Successful breaches - Nil

Email Security

- ♦ Spam / Malicious Email Attempts Blocked (Spam confirmed): 755
- ♦ Malware Suspected Messages Quarantined: 34
- ♦ Total High Risk or Undesirable Messages Blocked: 789

Endpoint Security

- ♦ Malware & PUAs Blocked: 80 events
- ♦ Scope: MPDC Fleet of Devices
- ♦ Action Taken: All threats quarantined or cleaned

Network Security

- ♦ Intrusion Attempts Detected: 25
- ♦ Top Attack Types:
 - SCAN CensysInspect Network Scan: 23 hits
 - Linux based Packet Flag Manipulation ("Urgent Flag Removal"): 2 hits

Overall Observations

- ♦ MailMarshal blocked 789 malicious or unwanted emails, including spam, phishing, malware attempts, and fraud.
- ♦ Endpoint protection successfully stopped all malware, PUAs, and suspicious activity with no impact on users or operations.
- ♦ There were no signs of targeted attacks, unauthorized access, or system breaches. Network perimeter defences blocked all 25 intrusion attempts, mainly from automated internet scans.



Top Risks Update

KEY RISK INDICATORS

Reputation / Relationship with Community Stakeholders (Risk #4)

Level and Quality of Community Interaction in Engagement Processes, November 2025 to January 2026

The following engagement exercises were active during the period:

Waitoa Water

- The Waitoa community has faced uncertainty about its water supply since Fonterra confirmed it would no longer provide water under the Water Services Act 2021. Council committed to a first deliberative engagement process to ensure affected residents could make informed recommendations.
- Affected residents were communicated with via door knocks, letter-box drops and the community Facebook group. A 17-member Community Panel, broadly representative of those affected, met over four sessions between October and November 2025. Independent parties assisted with the co-design process, panel selection and management, and workshop facilitation.
- Council supported the Panel's preferred option of Council Supply at a meeting on 17 Dec 2026. Next steps include consultation with Waitoa and the wider community and engagement with Waikato Waters Ltd in the first half of 2026.

21-22 January Weather Event Response

- We set up a response and updates webpage at mpdc.nz/weather for the duration of the weather event that started on Wednesday 21 January. This provided a central location for updates (water, road closures, track closures, free green waste disposal initiative, link to Powerco for outages, help contact numbers, etc) that all other comms on Antenna and social media led back to.
- The page received around 3,300 views over the course of the response and was stood down once we returned to BAU channels at the end of the following week. We gave regular updates to the community through the website, Antenna and Facebook - these were well received. Promoted Antenna throughout and received 106 new Antenna downloads over the two days.

Matamata Stadium Build

- We continued to update the community about the new Matamata stadium build (opening in Feb 2026). We shared drone footage of the new accessway (4,575 views of reel) and invited people to the community opening. Other communication was actioned by Matamata Futures Trust, both to the sponsors directly, and through their stadium facebook page (we shared the latest interior photos from here). Key stakeholders were engaged for the blessing including iwi, MPDC, Matamata College, Ministry of Education, Sport Waikato, contractors, grant funders and large sponsors. This had to be moved from Jan-Feb so we kept clear communication and regular updates with the invitees.

Reform and Other Web Pages

The following webpages have been added to Council's site:

Flood modelling and mapping programme: <https://www.mpdc.govt.nz/district-plan/flood-modelling>

Granny flats: <https://www.mpdc.govt.nz/building/granny-flats-small-stand-alone-dwellings>

RMA Reform: <https://www.mpdc.govt.nz/component/content/article/134-our-council/councillors-a-mayor/uncategorise...>

RMA National Direction: <https://www.mpdc.govt.nz/component/content/article/127-our-council/4679-recent-changes-to-rma-natio...>

Plan Stop: <https://www.mpdc.govt.nz/district-plan/plan-stop>

Fast Track: <https://www.mpdc.govt.nz/building/fast-track>



Top Risks Update

KEY RISK INDICATORS

Legislative Non-Compliance (Risk #5)	
Adverse Findings by Ombudsman	Between July and December 2025, Council received a resolution on two Ombudsman complaints, both in Council’s favour. There have been no complaints taken to the Om-
Deep Dive —There is a Deep Dive into Risk #5 at the February RAC meeting, refer that report for further information on this Top Risk.	

Ineffective Strategic Partnerships with Mana Whenua, Iwi, Hapū and Māori (Risk #6)	
Rangatira to Rangatira meetings in 3-months ended 31 Jan 2026.	1*
Te Manawhenua Mo Matamata-Piako forum (TMF) meetings in 2025 calendar year**	4 formal meetings (3 of these combined with workshops) 2 workshop only days
* Other hui are being scheduled currently	
** In addition, a combined end of year 2025 kaitahi (‘eating as one’) took place in December, an informal meet and greet over food to introduce our newly elected and re-elected members to the new TMF members.	
2026 Plans	
More combined kaitahi meetings will be set for the 2026 calendar.	
We are also planning to introduce briefing sessions to the Te Manawhenua Mo Matamata-Piako forum (TMF) work programme.	

Failure to Respond Appropriately to Political Change (Risk #9)		
Legislative Tracker		
Council has developed a legislative tracker (tracker) tool to monitor open and upcoming (and closed) opportunities for Council to submit on bills, regulations, and other consultation processes. The tracker provides space for relevant Council staff to input feedback or status updates on submission responses. The tracker is shared with Third Tier Managers and the Executive Team each Friday to maintain a consistent source of updates. The tracker provides a central, accessible record of submission opportunities relevant to Council’s work. Without this, opportunities to submit feedback risk being missed due to dispersed information and varying deadlines. The tracker enables timely identification of issues, clearer allocation of responsibilities, and better coordination across teams.		
Opportunities OPEN for submission (at 9/2/26)	Anticipated UPCOMING opportunities for submission (at 9/2/26)	
11	27	
Current/recently open opportunities for submission (refer last column / * at foot of table for submission intentions)		
Natural Environment Bill	These two Bills replace the RMA with changed focus on managing impacts, regulation, and enabling development	M
Planning Bill		
Emergency Management Bill	Significantly changes Emergency Management standards	R
Earthquake-prone Building System Reform Bill	Establishes a more proportionate and risk-based focus to regulation	R
Going for Growth—Development Levies System	Replaces Development Contributions with a system of levies	M
Simplifying Local Government	Proposes replacing Regional Councillors with combined boards of Mayors and/or Crown Commissioners and requiring reorganisation plans for the region	M
Consultation on a Rates Target Model	Proposes the introduction of rates capping	M
* M = MPDC submission made/intended R = Regional submission (Waikato Councils) T = Taituara submission		



Top Risks Update

KEY RISK INDICATORS

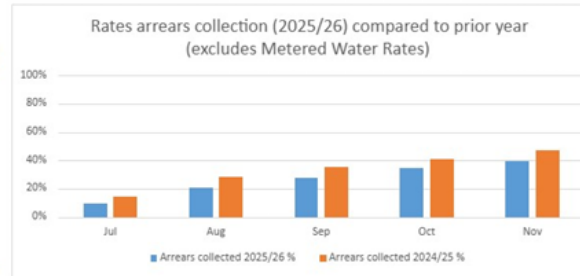
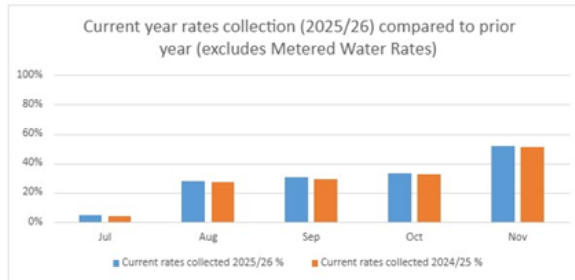
Ineffective Response to Climate Change Impacts (Risk #7) — Current Status																																					
Progress made on Climate Change Rivermap priority actions	Good progress has been made across all five workstreams (Stormwater, Rubbish, Strategy, Water, Wastewater). The draft Climate Resilience Strategy (part of the Strategy workstream) will be discussed with Council shortly.																																				
Identified gaps in data and in existing plans and strategies	The Climate Risk Assessment has provided information about where risks and adaptive actions are well understood and where further work is needed. This will now be further analysed and next steps developed.																																				
Rising costs for infrastructure maintenance, repair and renewal (natural hazard) Increase in Customer requests related to climate change dynamics, e.g. storm, flooding, heat	Processes yet to be put in place to track these.																																				
Claims against Council in relation to climate change matters such as development in areas with identified / identifiable hazards	In the past two years Council has received two claims related to natural hazard impacts, one relating to erosion and one relating to heavy rainfall, Council was found to not have any liability in either of these claims and they did not progress.																																				
Customer perception of preparedness for climate change via Annual Resident Survey [Note that preparedness has not been measured but whether Council should take leadership has been]	In the 2024/25 Annual Residents Survey: <div style="border: 1px solid #ccc; padding: 5px; margin-top: 10px;"> <p>64% of residents state that it is <i>Important for Council to take a leadership role in Climate Change response for our community.</i> This opinion is significantly stronger among respondents who have lived in the district for 6-10 years (75%) compared to those who have lived in the district for over 10 years (58%).</p> </div>																																				
Emissions inventory showing increase in emissions	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Emission source</th> <th style="text-align: right;">FY21</th> <th style="text-align: right;">FY24</th> <th style="text-align: center;">Increase or Decrease FY21 to FY24</th> </tr> </thead> <tbody> <tr> <td colspan="4">Top 5 emission sources TCO2-e</td> </tr> <tr> <td>Wastewater</td> <td style="text-align: right;">1274.4</td> <td style="text-align: right;">1544.7</td> <td style="text-align: center;">▲</td> </tr> <tr> <td>Electricity</td> <td style="text-align: right;">756.2</td> <td style="text-align: right;">506.0</td> <td style="text-align: center;">▼</td> </tr> <tr> <td>Diesel</td> <td style="text-align: right;">403.9</td> <td style="text-align: right;">481.6</td> <td style="text-align: center;">▲</td> </tr> <tr> <td>Petrol</td> <td style="text-align: right;">69.9</td> <td style="text-align: right;">96.8</td> <td style="text-align: center;">▲</td> </tr> <tr> <td>Natural Gas</td> <td style="text-align: right;">62.9</td> <td style="text-align: right;">67.5</td> <td style="text-align: center;">▲</td> </tr> <tr> <td>Total emissions TCO2-e</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total over all sources</td> <td style="text-align: right;">2,670.2</td> <td style="text-align: right;">2,803.8</td> <td style="text-align: center;">▲</td> </tr> </tbody> </table>	Emission source	FY21	FY24	Increase or Decrease FY21 to FY24	Top 5 emission sources TCO2-e				Wastewater	1274.4	1544.7	▲	Electricity	756.2	506.0	▼	Diesel	403.9	481.6	▲	Petrol	69.9	96.8	▲	Natural Gas	62.9	67.5	▲	Total emissions TCO2-e				Total over all sources	2,670.2	2,803.8	▲
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Top Risks Update

KEY RISK INDICATORS

Inadequate Financial Planning (Risk #8)

A number of financial and treasury graphs are under development for future reports. In the meantime these rates collection graphs are available.



While collection of current year rates in November is slightly ahead of last year at 51.8% (50.8% in November 2024), the collection of arrears has fallen behind at 39.3% (compared to 47.1% in November 2024). This may indicate a number of things — that those falling behind are finding it more difficult to catch-up on missed payments; continued staff focus is needed to maintain collection rates for arrears; collection via rating sale could be considered for some long-standing arrears where no mortgage exists over the property (approx. 5 properties currently).

Failure to Respond Appropriately to Political Change (Risk #9)

Te Ohu Takatū Anamata (Future Ready) meetings from July 2025 to January 2026

✔ This group of key staff has met each month

Active participation in regional and national working groups July 2025 to December 2025

Rural / Provincial—Nov 2025
 LGNZ Zone 2—Nov 2025
 Waikato Mayoral Forum—Nov 2025
 Taituara CE Hui —Jul, Aug, Oct, Dec 2025
 Eastern Waikato Regional Leadership Group (with Govt agencies) —Jul and Aug 2025
 Waikato CEs Forum — Aug, Oct, Nov, Dec 2025

Future Proof related:

- ◆ FPIC Workshop—Aug 2025
- ◆ Future Proof / Smart Growth—Aug 2025
- ◆ CEAG—Aug 2025
- ◆ FPIC—Sept and Dec 2025



Top Risks Update

KEY RISK INDICATORS

Ensuring Workforce Capacity and Capability (Risk #10)



Whole of organisation staff turnover for the rolling 12 months ended 31 December 2025 was 12.82%

This compares with annual whole of organisation turnover for the years	2025:	2024:	2023:	2022:	2021:
	12.81%	10.65%	19.05%	17.03%	18.53%

Staff Culture Survey

A trial of a new staff survey tool, Culture QuickSense, commenced in December and runs through to January. We will analyse the results and present these to the Risk and Assurance Committee at the June meeting.

Ensuring Health, Safety and Well-being (Risk #11)

Trends and any concerns are noted in the quarterly Safety and Wellness reporting included elsewhere on this agenda.

The results of critical risk audits are reported to the Executive Team quarterly—the most recent results were reported on 21 October 2025.

Overdue investigations, actions and audits in Councils 'Damstra' Safety and Wellness reporting system are reported to the Executive Team regularly with the most recent report on 2 December 2025.

Top Risks Update

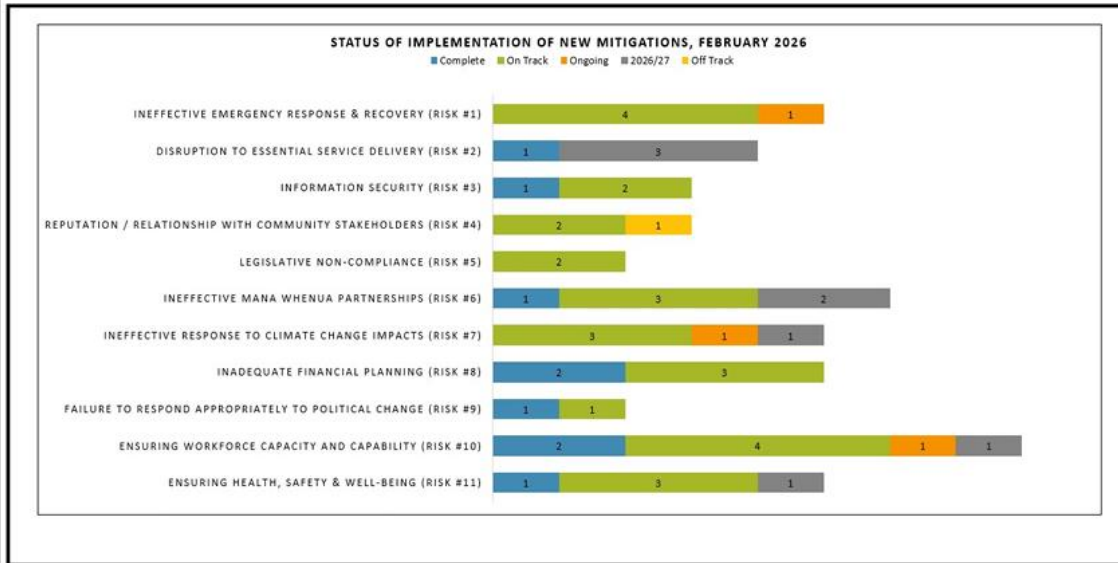
TOP RISK MITIGATION IMPLEMENTATION MONITORING

New Mitigating Controls

The 2025/26 Top Risks document proposes new mitigations to either reach risk appetite (if considered achievable) or strengthen our residual risk position.

This chart shows the progress in implementing these new mitigation controls.

Any that are off track are shown below, and any that have been successfully implemented, or deferred to next financial year, are shown on the following page (new updates in red font). Note that 'Ongoing' indicates the implementation of the mitigation will remain a continuing focus over a period of time rather than a one-off completion.



Off Track - Planned Timeframes for New Mitigating Controls Unlikely To Be Met

Risk Number	New Mitigating Controls to Implement	Status	Comment
Risk #4	Adoption of planned Comms and engagement strategy	Off-Track	Work to begin on this in 2026 but is unlikely to be adopted by 30 June 2026.

Top Risks Update

TOP RISK MITIGATION IMPLEMENTATION MONITORING

Completed - New Mitigating Controls Implemented

Risk Number	New Mitigating Controls to Implement	Status	Comment
Risk #2 and 8	Approval of Water Services Delivery Plan (WSDP) by the Minister of Local Government with Water and Wastewater ownership and management transferred to a new Waikato Waters entity	Complete	Plan approved by Council at a special meeting on 13 August 2025, with Minister's approval gained in September 2025. Waikato Waters Limited establishment directors now also appointed.
Risk #3	Scheduled Org-wide introduction of Microsoft 365 in 2025 calendar year will enhance operating environment and data security	Complete	Org-wide M365 roll-out completed September 2025.
Risk #6	Review of work programme and terms of reference for Te Manawhenua Mo Matamata-Piako forum, and reconstitution of this forum in the new triennium	Complete	This has been achieved.
Risk #8	Regular scan of wider economic and demographic insights data relevant to the district (via sources such as Community Compass, Infometrics)	Complete	Council now has access to the Infometrics regional economic profile which gives information on our local economy, demographics etc. This will be used to inform the 2027 Long-Term Plan and other workstreams of Council.
Risk #9	Submission of Water Services Delivery Plan to Minister by September 2025 in line with legislative requirement	Complete	Approved by Council at a special meeting on 13 August 2025 and submitted to the Minister
Risk #10	Remuneration Policy review	Complete	Policy has been finalised. Follow up work is underway.
	Greater focus on Exit Survey analysis and action response	Complete	Exit survey responses are collated annually and trends reported to Exec Team for discussion and action planning. Individual survey responses are reviewed by the People and Wellness Team and follow up actioned where required.
Risk #11	Exec Team to complete 100 Health and Safety self-assessment	Complete	Completed

Deferred - New Mitigating Controls Deferred to 2026/27 Year

Risk Number	New Mitigating Controls to Implement	Status	Comment
Risk #2	Fully developed operations maintenance strategies in place and funded	Deferred to 2026/27	This work will begin 2025/26. This work is currently only identified for three Waters.
	Review and re-adoption of Business Continuity Plans	Deferred to 2026/27	Desktop review of current state of Business Continuity Planning completed. Further work programmed in 2026/27.
	Improved workforce capacity and capability via cadetship programmes and other potential joined up solutions	Deferred to 2026/27	Building internal capacity and capability is most certainly an organisational focus. However via cadetship programmes or other potential joined up solutions is not currently a priority given the transitional change space we are currently in.
Risk #6	Review of iwi capacity and in-house resource availability at MPDC, including potential forward ability to respond to potential settlement agreement requirements	Deferred to 2026/27	This will be added to Te Ohu Tūhono work programme for the 2026/27 year
	Identify what the Tiriti / Treaty principles mean to Council	Deferred to 2026/27	Align with mana whakahono ā rohe agreement work. GM has taken on responsibility but a number of staff will be involved
Risk #7	Critical gaps in hazard data identified and work commissioned to fill these gaps (wildfire, heat, wind), potentially in collaboration with others	Deferred to 2026/27	This work will have to continue into 2026/27
Risk #10	Improved focus on Succession Planning	Deferred to 2026/27	
Risk #11	External H&S audit - to be considered after transition to Local Water Done Well	Deferred to 2026/27	

Emerging Risks

The following table notes some key emerging risks identified across the local government sector via professional networks, the local environment and from a national/global perspective. There may not be sufficient knowledge around the following risks for their formal addition to the organisational risk register, due to their emerging state, but a ‘watching brief’ should be kept on them.**

#	Risk Area	Risk Level*	Short-Term Risk Description
1	Legislative & Policy Change (Local Govt reforms, “core services”)	● High	Uncertainty around the direction and timing of central reforms (e.g., expectations on “core services”, performance and oversight). Risk that councils are slow to interpret signals and adjust priorities, leading to compliance gaps or misaligned plans.
2	Water Reform Transition (Local Water Done Well)	● High	New water service planning and financial sustainability expectations create pressure on asset, finance and governance teams. Short-term risk that deadlines, data needs, or expectations are underestimated, impacting credibility with regulators and communities.
3	Financial Sustainability & Debt Headroom	● Medium–High	Operating cost pressures, limited headroom for further rates increases, and higher debt levels raise the risk of short-term affordability concerns and constrained response to shocks.
4	Treaty, Representation & Social Licence	● Medium	Reduced formal Māori representation and broader debate on Te <u>Tiriti</u> create short-term risk of strained relationships with mana whenua and community challenge to council decisions.
5	Service Delivery, Digital & Customer Experience	● Medium	Customers expect fast, digital services, but inconsistent user experience (UX), low uptake in some groups, and resourcing constraints in contact centres create a near-term risk of poor experience and reputational damage.

*Risk Level key:

- High – Needs active Executive / Committee attention
- Medium–High – Managed, but requires close monitoring and targeted action
- Medium – Watch list; maintain controls and monitor for change

** This Emerging Risk information has been provided by David Robson of Aon

