

# America's Cup Programme (AC 36)

## Risk Management Framework

Joint Chief Executive Steering Group meeting  
22 August 2018

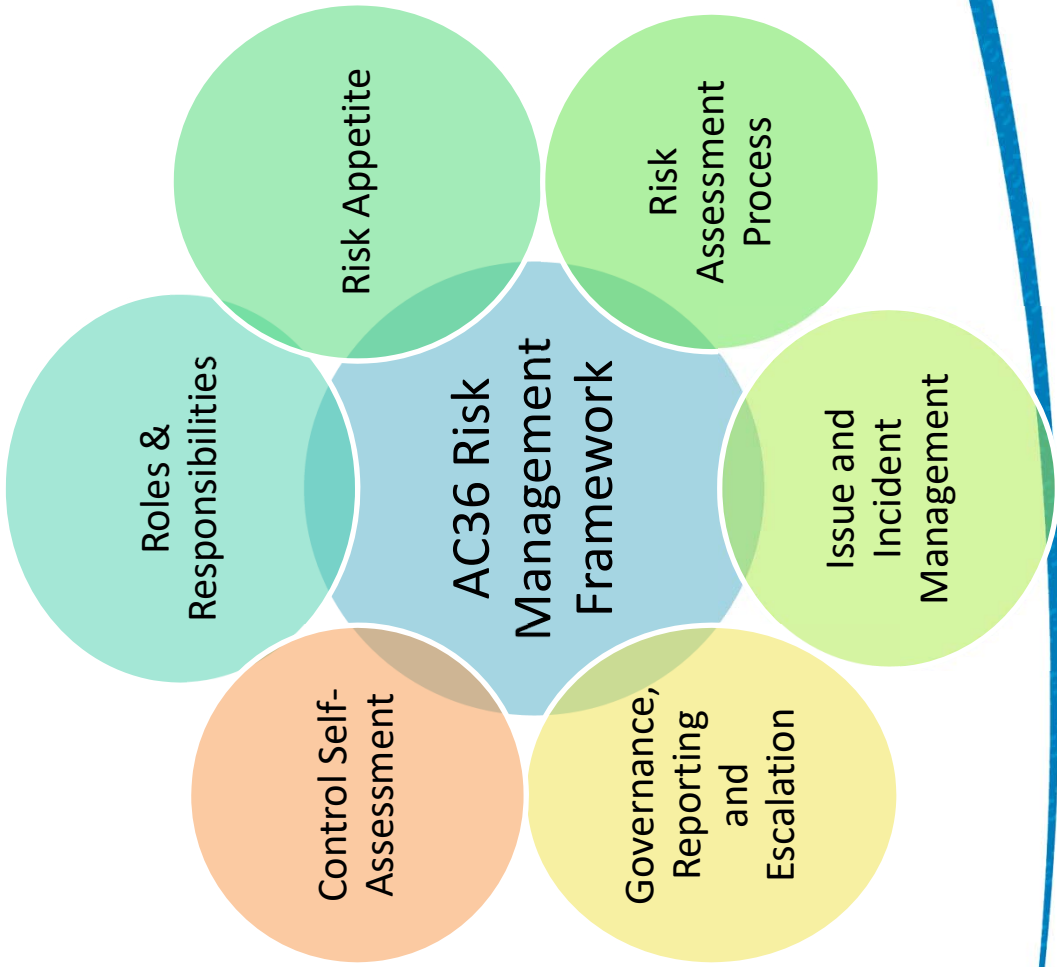
# Purpose:

1. To receive feedback on the draft framework, specifically on the following elements:
  - a. Approach to risk management - three lines of defence
  - b. Roles and responsibilities
  - c. Reporting and escalations
  
2. To endorse the AC 36 Risk Management Framework

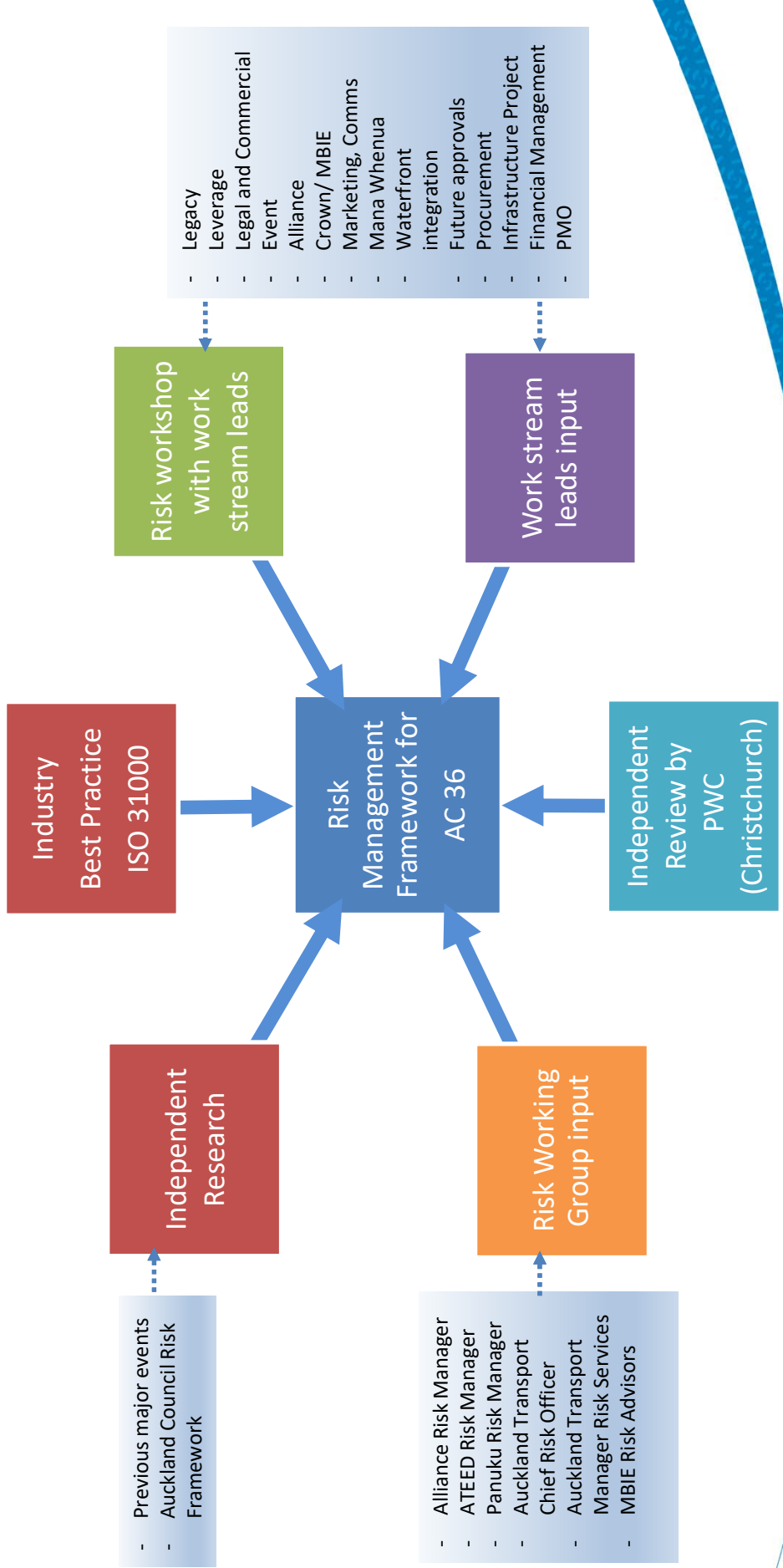
# Background

- JCEG's role is to provide effective governance and oversight of risks for AC 36 Programme
- Common framework is required to manage material risks of the programme
- Drive consistency in approach
- Enable cross group collaboration for managing risks and implementing controls

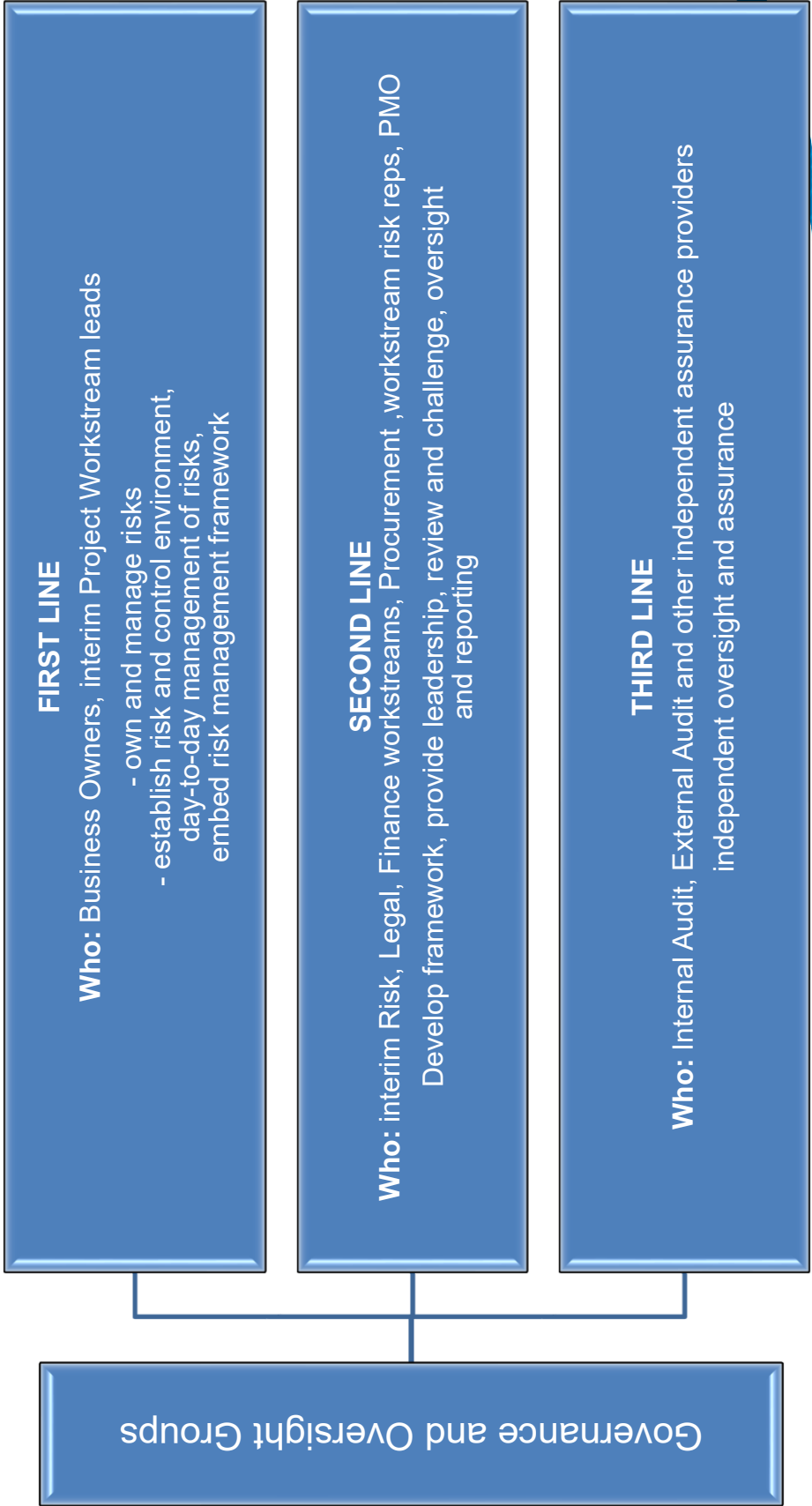
# Risk management framework - core elements



# Process



# Approach to risk management- three lines of defence



# Governance and oversight groups - Roles and Responsibilities

Role Governance and oversight groups	Responsibilities
Host City Agreement Group (HCAG)	<ul style="list-style-type: none"> <li>Resolve issues escalated by JCEG</li> </ul>
AC36 Joint Chief Executive Group (JCEG)	<ul style="list-style-type: none"> <li>Provide effective governance and oversight of risk, incident and issue management</li> <li>Set tone from the top that promotes a risk culture</li> </ul>
Event Steering Group	<ul style="list-style-type: none"> <li>Delivery of the AC36 event in accordance with Event Concept, HCAA and Host Venue Agreement</li> <li>Escalations of risk, issues and incidents to JCEG</li> </ul>
Wynyard Edge Alliance (Interim project Alliance Board)	<ul style="list-style-type: none"> <li>Governance, leadership and oversight to deliver programme infrastructure</li> <li>Escalations of risk, issues and incidents to JCEG</li> </ul>
Auckland Council Group Audit and Risk Committee	<ul style="list-style-type: none"> <li>Provide recommendations on behalf of Auckland Council group to Governing Body on effectiveness of risk management processes to deliver the programme</li> </ul>

## Risk Reporting and Escalation to JCEG via the Programme Management Office

From	Frequency	What	Levels of Escalations
Workstreams	Monthly	Risks	HIGH, EXTREME
<ul style="list-style-type: none"> <li>Finance</li> <li>Legal and Commercial</li> <li>Procurement</li> <li>Mana Whenua</li> <li>Regulatory</li> <li>Legacy</li> <li>Leverage</li> <li>Event Working Group</li> <li>Waterfront Integration</li> <li>Inter-agency Steering Group</li> <li>Security Steering Group</li> </ul>	Monthly	Issues	HIGH, EXTREME
	Monthly	Incidents	HIGH, EXTREME
	Quarterly	Control Self Assessments/Control effectiveness	HIGH EXTREME
Wynyard Edge Alliance	Monthly	Risks, issues and incidents	HIGH, EXTREME
Event Steering Group	Monthly	Risks, issues and incidents	HIGH, EXTREME



# DRAFT AC36 Monthly Risk Report Template

Draft AC36 Monthly Risk Report to JCEG

Date

## 1. Content and Purpose

1.1 Monthly risk update to JCEG for period

## 2. Recommendations

2.1 To note the paper or make a decision

## 3. Summary of Risk Activities

3.1 Summary of risk activities completed/underway

## 4. Risk Profile

4.1 Commentary

4.2 Summary of risk registers, attachments including risk heat map

## 5. Issues

5.1 Summary of issues, status update and remedial action

## 6. Incidents

6.1 Summary of incidents, status update and remedial action

## 7. Controls Self-Assessment (CSA)

7.1 Summary of control self-assessment results and remedial actions

## 8. Key Risk Indicators (KRI)

8.1 Summary of trends, KRI exceptions etc, commentary for KRI exceptions.

## 9. Risk Appetite

9.1 Summary of risk appetite monitoring, approval, risks within/outside appetite.

## 10. Risk Dashboard

10.1 Summary of results of defined measures that can assess how effectively the risk framework is embedded across the programme.

## 11. Assurance Reviews and Issues Raised

11.1 Summary of reviews - ratings, issues raised, material observations etc

## 12. Health and Safety

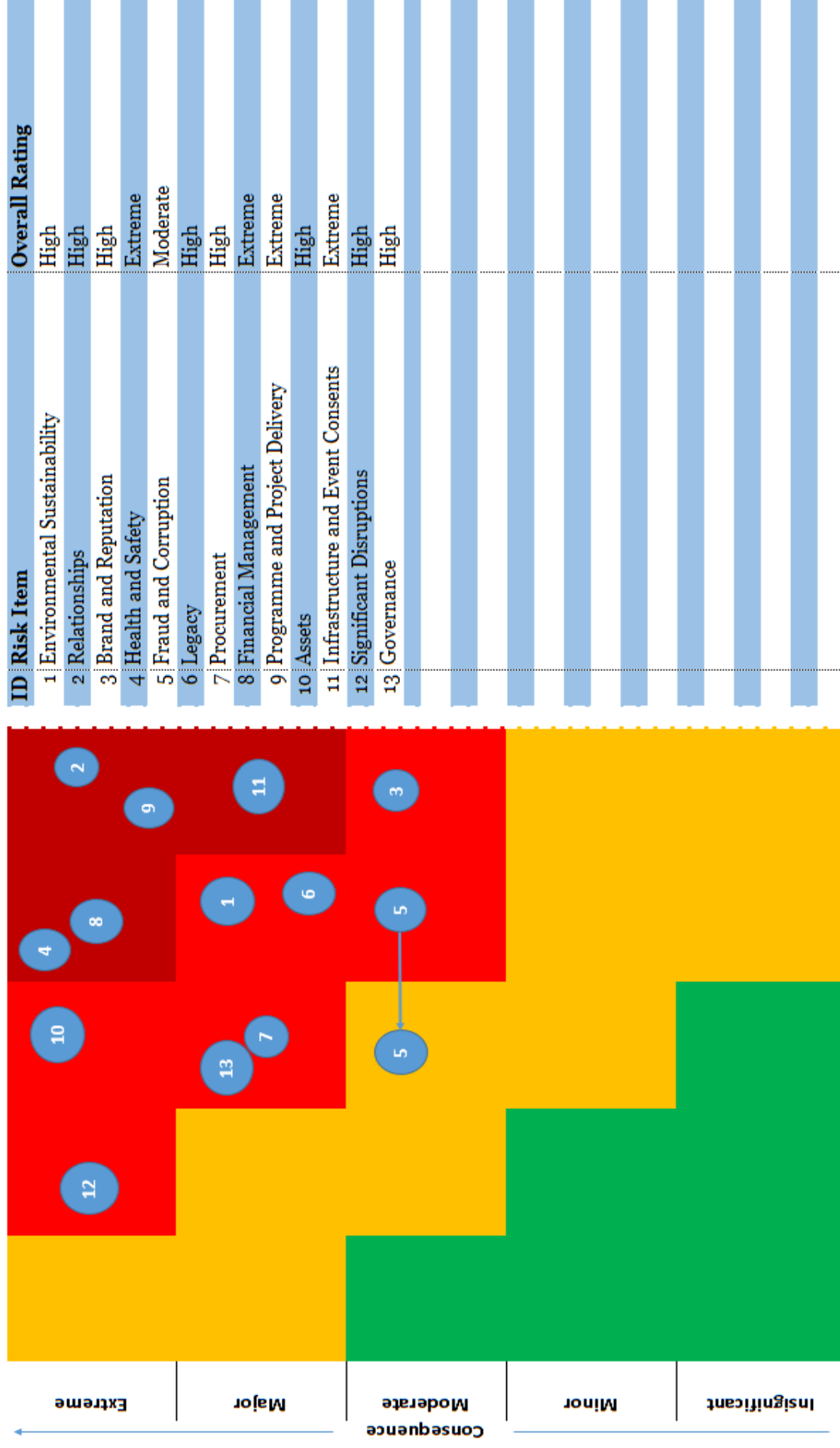
12.1 Summary of actions taken or any issues arising during the period of reporting

**Prepared by:** xxx

**Date:** xxx

# DRAFT AC363 Monthly Risk Report Template – Attachment A

*Inherent (Prior to Controls) Risk Heat Map Template*



Arrows on a Risk Dot indicate the Trend of the risk (i.e. increasing or decreasing) for the period

**Rare** 0% to 9%  
**Unlikely** >10%  
**Possible** >25%  
**Likely** >55%  
**Almost certain** >90%

Likelihood ↑

# Risk Appetite and Categories

- Risk appetite is the degree of risk that JCEG is willing to take to achieve AC36 objectives
- It expresses JCEG's attitude to risks and empowers more risk taking or limits excessive risk taking
- JCEG to set risk appetite for the categories of risk in the framework
- Involves discussions to form qualitative/quantitative expression of appetite e.g. zero, low, medium or high.

# Recommendations and Next steps

## Recommendations:

- That JCEG endorses the AC 36 Risk management framework
- That JCEG to consider any other regular/ formal risk reporting requirements for the Crown.

## Next steps:

- Risk Appetite Statements are developed through a future workshop.