

Risk Register - Coralvale Regional Council - 25/09/2026

Risk Management Context & Framework

This register records the material risks to the replacement of the Ridgeback Creek Water Treatment Plant under Option 3. It is prepared for the Audit & Risk Improvement Committee (ARIC), External Auditors, the General Manager and the Risk Owners named below, and it is presented in open session. J. Smith, Manager Capital Delivery, compiled the register on 25/09/2026 and has declared no conflict of interest in this matter.

Coralvale Regional Council serves a regional city of 68,000 residents across 5,480 km². The Ridgeback Creek Water Treatment Plant is at IPWEA NAMS+ Condition Grade 4, a grade that requires immediate capital replacement planning. It runs a single 1980s clarifier train with manual dosing and no redundancy, and peak-day demand now exceeds its firm capacity. The plant is therefore already carrying load beyond its firm capacity on peak days, and the length of time it must continue to do so is the main driver of this register.

Council resolved Option 3 in June 2026, selecting it over Option 2. Option 3 delivers a fully automated plant with 25 MLD firm capacity, duty/standby trains, SCADA integration and 1-in-100 year flood immunity. Capital expenditure is capped at \$18,500,000 ex-GST and procurement is by open public tender. Practical Completion is set at 15/12/2027 and is locked to the State grant funding deed, which makes that date a funding condition rather than a scheduling preference. The wet season constrains the construction window, so the working time available to meet that condition is shorter than the calendar period to 15/12/2027. Because capital expenditure is capped, every treatment in this register must be delivered within \$18,500,000 ex-GST.

The project sits within the Coralvale Corporate Plan 2024-2029 and the Long Term Financial Plan 2024-2034. The decision-maker for this matter is [VERIFY], and the key stakeholders for the project are [VERIFY].

Risks are assessed under the ISO 31000:2018 Risk Management Guidelines using Council's 5x5 likelihood and consequence matrix. Each risk is stated as Cause, Event and Consequence; rated for inherent risk before controls; assessed for control adequacy; and re-rated for residual risk after controls. Control adequacy is rated Adequate where testing shows the control operates as designed, Marginal where testing shows gaps, and Inadequate where the control is absent or untested. The register is reported to the ARIC quarterly, and its practice is to be benchmarked against the QLD Audit Office (QAO) Enterprise Risk & Fraud Maturity Models. Council's current maturity rating under those models is [VERIFY].

The rating band that Council's matrix assigns to each likelihood and consequence pair is [VERIFY], as is Council's risk appetite for this project. Until both are confirmed, the Committee cannot determine which residual risks sit outside appetite. This register therefore treats all three risks as requiring an executive action plan now.

Risk Identification & Hazard Assessment

Three risks have been identified and rated for inherent risk, before any control is taken into account. They are linked. Wet season delay (R3) is a cause of a missed grant deed date (R2), and every month of delay extends the period in which the Grade 4 plant must meet demand without redundancy (R1). A single schedule failure therefore raises all three risks at once.

ID	Risk statement (Cause, Event, Consequence)	Inherent likelihood	Inherent consequence	Risk owner
R1	Due to the Ridgeback Creek Water Treatment Plant operating at IPWEA NAMS+ Condition Grade 4 with a single 1980s clarifier train, manual dosing and no redundancy, there is a risk that the plant fails before Practical Completion of the replacement, leading to loss of treatment capacity with no standby train while peak-day demand already exceeds firm capacity.	Likely	Major	Manager Water Operations
R2	Due to Practical Completion being locked to the State grant funding deed and the construction window being constrained by the wet season, there is a risk that Practical Completion is not achieved by 15/12/2027, leading to breach of a funding condition of the State grant deed on a project whose capital cost is capped at \$18,500,000 ex-GST.	Possible	Major	Director Infrastructure Services
R3	Due to the wet season constraining the construction window, there is a risk that construction works are delayed, leading to compression of the program before 15/12/2027 and a longer period of reliance on the existing Grade 4 plant.	Likely	Moderate	Project Manager

The hazard behind R1 exists now. The replacement program does not create it; the program sets how long Council is exposed to it. For R2, the value of the State grant and the consequence the deed attaches to a missed date are [VERIFY], so the Major consequence rating should be re-tested once both are known. The dates of the wet season window are [VERIFY], which means the effective construction period before 15/12/2027 cannot yet be measured. Council's top concerns for this project are [VERIFY]; any concern not reflected in R1 to R3 should be rated and added at the next quarterly review.

Existing Controls Assessment

Each control is rated on its design and on evidence that it operates. A control that exists on paper but has no operational testing evidence is rated Inadequate, whatever its design.

Risk	Existing control	Control type	Control adequacy	Basis for rating
R1	No duty/standby redundancy exists: the plant has a single clarifier train with manual dosing. The existing controls for plant failure response are [VERIFY].	No preventative redundancy control in place	Inadequate	A single train with no standby cannot maintain treatment if that train fails. Operational testing of any failure response control is [VERIFY].
R2	Practical Completion fixed at 15/12/2027 and locked to the State grant funding deed; Option 3 resolved by Council in June 2026; procurement by open public tender. The existing program and deed-milestone monitoring controls are [VERIFY].	Preventative	Inadequate	The resolution removes option selection as a source of delay. Operational testing of program and deed-milestone monitoring is [VERIFY].

Risk	Existing control	Control type	Control adequacy	Basis for rating
R3	The existing controls for wet season scheduling are [VERIFY].	The control type for this risk is [VERIFY].	Inadequate	Operational testing of this control is [VERIFY].

The procurement method is consistent with Council's rules. The Coralvale Regional Council Procurement Policy 2026, adopted 24/06/2026, sets the public tender threshold at \$200,000 ex-GST, and the capped project value of \$18,500,000 ex-GST is well above it. Contracting is also governed by Local Government Regulation 2012 Chapter 6; the section that applies is [VERIFY].

For the Committee, the result is direct: none of the three risks currently has a control that can be relied on to lower its rating. The plant's lack of redundancy is a structural gap that only the Option 3 duty/standby trains will close. Until testing evidence is tabled, every rating in this register rests on inherent exposure alone.

Residual Risk Calculation & Matrix

Residual risk equals inherent risk for all three risks. This does not find that the existing controls have no effect. It reflects that no control has operational testing evidence, so each is rated Inadequate and cannot be credited with reducing likelihood or consequence. A residual rating below inherent will be recorded only when testing evidence supports it.

The rating band of each pair under Council's 5x5 matrix is [VERIFY]. The Committee should note that two residual risks carry a Major consequence and two carry a Likely likelihood, and that R1 carries both. R1 should be the first risk banded once the matrix is confirmed.

ID	Risk	Inherent likelihood	Inherent consequence	Inherent rating band	Control adequacy	Residual likelihood	Residual consequence	Residual rating band	Reason residual equals inherent	Risk owner
R1	Plant failure before Practical Completion	Likely	Major	[VERIFY]	Inadequate	Likely	Major	[VERIFY]	No redundancy; operational testing of failure response is [VERIFY]	Manager Water Operations
R2	Grant deed date of 15/12/2027 missed	Possible	Major	[VERIFY]	Inadequate	Possible	Major	[VERIFY]	Operational testing of program monitoring is [VERIFY]	Director Infrastructure Services
R3	Wet season delay	Likely	Moderate	[VERIFY]	Inadequate	Likely	Moderate	[VERIFY]	Operational testing of wet season scheduling is [VERIFY]	Project Manager

Risk Treatment Action Plan

Each action names one position title as its accountable owner. The Option 3 delivery date is fixed by Council's resolution; the target completion dates for the other actions are [VERIFY] and must be set by each owner before the next quarterly report.

Action	Risk	Treatment action	Accountable owner	Target completion date	Review date
T1	R1	Confirm and document the controls that maintain treatment if the single clarifier train fails before Practical Completion, and table operational testing evidence for each control.	Manager Water Operations	[VERIFY]	Each quarterly ARIC report
T2	R2	Achieve Practical Completion of Option 3 by 15/12/2027 in line with the State grant funding deed, within the capital cap of \$18,500,000 ex-GST, with procurement by open public tender.	Director Infrastructure Services	15/12/2027	Each quarterly ARIC report
T3	R2	Report deed milestone status and table operational testing evidence of program monitoring controls.	Director Infrastructure Services	[VERIFY]	Each quarterly ARIC report
T4	R3	Confirm the wet season window dates and schedule construction activities outside that window, tabling evidence that the schedule is tested against it.	Project Manager	[VERIFY]	Each quarterly ARIC report

T2 is the only action that removes the cause of R1. The duty/standby trains, automation and SCADA integration in Option 3 replace the single-train failure point, so the Grade 4 exposure continues in full until Practical Completion. Until then, T1 carries service continuity on its own, which is why its testing evidence matters more than any other item in this plan. T3 and T4 protect the deed date: a slip in the wet season schedule flows directly into the funding condition.

The open public tender under T2 is conducted under the Coralvale Regional Council Procurement Policy 2026 and Local Government Regulation 2012 Chapter 6, section [VERIFY]. The date of the next quarterly ARIC report is [VERIFY].

Monitoring, Review & KRIs

The register is reviewed and reported to the ARIC quarterly. At each report, every owner re-rates residual risk against the control testing evidence tabled, and any residual rating change is explained. The following Key Risk Indicators (KRIs) give the Committee early warning before a risk event occurs.

KRI	Risk	What it signals	Tolerance threshold
Peak-day demand against firm capacity of the existing plant	R1	Load on the single clarifier train	[VERIFY]
IPWEA NAMS+ condition grade of the existing plant	R1	Deterioration of the asset before replacement	Any deterioration from Grade 4

KRI	Risk	What it signals	Tolerance threshold
Forecast Practical Completion date against 15/12/2027	R2	Exposure under the State grant funding deed	Any forecast date after 15/12/2027
Forecast capital cost against the \$18,500,000 ex-GST cap	R2	Pressure on the fixed budget boundary	Any forecast above \$18,500,000 ex-GST
Construction days lost to wet season against program allowance	R3	Program compression	[VERIFY]
Existing controls with operational testing evidence	R1, R2, R3	Control adequacy	[VERIFY]

A KRI outside its threshold is reported by the accountable owner at the next quarterly ARIC report, with a revised action. The forecast completion and cost KRIs are the Committee's leading indicators: either one moving past its threshold signals that R1, R2 and R3 are rising together. The register's practice will be benchmarked against the QLD Audit Office (QAO) Enterprise Risk & Fraud Maturity Models at each annual review.