



Risk Workbook (Risk Plan and Treatment Plan)

Risk Plan (Internal Use Only)

Programme/Project/Activity	Regional Incubator Facilitators (RIFs)
Branch/Division	Innovation Programmes, AusIndustry
Objective/Purpose: <i>State the relevant objective the risk plan relates to. Describe intent, purpose and outcomes.</i>	This document specifies arrangements for identifying, monitoring and managing risk throughout the procurement of RIFs under the Incubator Support Initiative. This plan serves to analyse, manage and treat risks associated with the procuring, managing and evaluating of RIFs.
Context <i>List internal and external factors that influence this risk in relation to achieving objectives</i>	The Government announced in the 2017 Budget Statement that the Incubator Support Initiative (ISI) will be refocused to align with the Government's focus on regional development. Several changes will be implemented in late 2017 with the aim of stimulating and better supporting incubator activities in regional areas. As part of this, there will be an introduction of up to five Regional Incubator Facilitators who will assist with facilitating the application process for ISI, particularly for regional applicants. RIFs are proposed to cover the following areas: Northern or Southern QLD, Central and Mid-North NSW, Southern WA, South East VIC and South West SA.
Date of Risk Assessment	22/11/2017
Assessment Conducted By	s22

Risk Identification			Effectiveness of Controls	Analysis			Risk Owner	Is Risk within Tolerance? No (Complete Risk Treatment Plan) Yes (Do not need to complete Risk Treatment Plan)	Evaluation Risk Acceptance Y/N Risk Appetite & Tolerance
General Risk Category Risk reference card	Description	Consequence	Current Control(s) <i>(Consider effectiveness)</i>	Likelihood	Consequence	Risk Rating			
Choose an item.	<p>List the risk description or event (what can happen):</p> <ul style="list-style-type: none"> List the cause (what will cause the event to occur) 	What are the impacts of this occurring?	<p>Such as an existing process, policy, practice, device, technology, systems</p> <p>Governance committee, policies, procedures, quality improvement plans</p>	Choose an item.	Choose an item.	Choose an item.	Risk Owner/s responsible for the risk	Choose an item.	Choose an item.

Risk Identification			Effectiveness of Controls	Analysis			Risk Owner	Is Risk within Tolerance? No (Complete Risk Treatment Plan) Yes (Do not need to complete Risk Treatment Plan)	Evaluation <u>Risk Acceptance</u> Y/N <u>Risk Appetite & Tolerance</u>
General Risk Category <i>Risk reference card</i>	Description	Consequence	Current Control(s) (Consider effectiveness)	Risk Rating <i>Risk reference card</i>					
				Likelihood	Consequence	Risk Rating			
Capability and Capacity	1. Lack of skills, knowledge, experience or availability of staff to prepare and manage the procurement. This includes access to sufficient legal support and low involvement of senior management support.	Poor allocation or management of resources over procurement. Delays in procurement process or poor quality work. Program may not achieve its outcomes, performance indicators. Poor delivery of service.	Staff training provided by the department; Procurement Introduction, Contract Management, etc. Using departmental resources, i.e. Procurement Toolkit. Guidance from Procurement team, Legal, and colleagues experienced in Open Tender process. Commonwealth Procurement Rules.	Possible	Minimal	Minor		Yes	Yes
Capability and Capacity	2. Poor or untimely preparation of tender documentation and contracts. E.g. preparation of contract clauses.	Delays in procurement and receiving poor tender response rates or candidates without desired skills or experience.	Procurement Toolkit. Advice and guidance from Procurement and Legal teams. Development of a Procurement timeline to highlight key milestones and deadlines. Multiple levels of approval required from senior management before opening tender, entering or varying contracts.	Possible	Minimal	Minor	Programme Management (PM)	Yes	Yes
Capability and Capacity	3. Lack of experience or skills in negotiation and evaluation of contracts, deliverables and expectations with prospective contractors.	Poor quality in contractors' deliverables. Facilitators may not achieve program outcomes and/or performance indicators.	Experienced and senior management will be heavily involved in negotiations with and evaluations of contractors. Contractors have to submit performance reports every 6 months. PM team are experienced in conducting evaluation processes.	Unlikely	Minimal	Minor	PM	Yes	Yes

Risk Identification			Effectiveness of Controls	Analysis			Risk Owner	Is Risk within Tolerance? No (Complete Risk Treatment Plan) Yes (Do not need to complete Risk Treatment Plan)	Evaluation <u>Risk Acceptance</u> Y/N <u>Risk Appetite & Tolerance</u>
General Risk Category Risk reference card	Description	Consequence	Current Control(s) (Consider effectiveness)	Risk Rating Risk reference card					
				Likelihood	Consequence	Risk Rating			
Capability and Capacity	4. Entering into the contract and commencement of work without full understanding of involved parties' expectations and responsibilities.	Delays in delivering outcomes and KPIs. Incorrect information provided to stakeholders, i.e. clients.	Induction program prior to work commencement. Clear definition of roles and responsibilities within team and stakeholders.	Unlikely	Minimal	Minor	PM & Contractors	Yes	Yes
Capability and Capacity	5. Managing internal and external stakeholders during procurement and ongoing contract periods.	Poor delivery of service, outcomes and delays in completing procurement. Breakdown in relationship between team and stakeholders.	Weekly meetings held to update team and managers about procurement process and contract management. Bi-weekly meetings to update state and regional offices about ISI matters. Shared inbox IncubatorSupport.ProgramManagement@Industry.gov.au . APS Code of Conduct. Public Governance, Performance and Accountability Act.	Possible	Minimal	Minor	PM	Yes	Yes
Capability and Capacity	6. Management of timeframes during procurement and ongoing contracts	Poor delivery of service, outcomes and delays in completing procurement. Increased stress within team.	Procurement Toolkit. Development of a procurement timeline, including preparation for tender documents, contracts and tender responses.	Possible	Substantial	High	PM	No	Yes

Risk Identification			Effectiveness of Controls	Analysis			Risk Owner	Is Risk within Tolerance? No (Complete Risk Treatment Plan) Yes (Do not need to complete Risk Treatment Plan)	Evaluation Risk Acceptance Y/N Risk Appetite & Tolerance
General Risk Category Risk reference card	Description	Consequence	Current Control(s) (Consider effectiveness)	Risk Rating Risk reference card					
				Likelihood	Consequence	Risk Rating			
Business Outcomes	7. Successful contractor/s don't deliver quality services and key outcomes as agreed under the contract. This may be due to a lack of skills, knowledge, expertise and qualification of the contractor/s.	Poor or non-delivery of service, programme outcomes and KPIs. Loss of confidence in ISI programme.	Performance criteria are clearly laid out in the contract. Monthly meetings and activity reports from Contractors are required as part of contract. Information about programme are described in the Programme Guidelines.	Unlikely	Moderate	Minor	Contractors	Yes	Yes
Service Delivery	8. Low tender response rates may result as the identified regions or markets under consideration may be too large to service given the limited number of RIFs to be procured.	Incomplete or non delivery of service and programme outcomes. Loss of confidence in ISI programme.	Ensure tender response timeframe is long enough to allow for respondents to complete. Advertise tender on channels other than AusTender to increase awareness in the market.	Possible	Substantial	High	PM	No	Yes
Service Delivery	9. Termination and transition of contractors prior to contract end date	Delays in delivery of service, or outcomes for ISI programme. Cause confusion amongst stakeholders, i.e. clients.	Termination clauses in contract.	Unlikely	Minimal	Minor	PM	Yes	Yes
Service Delivery	10. Ethical and professional conduct of staff and contractors at all times, to act with care, integrity and due diligence.	Loss of confidence in ISI programme and its grantees. Breakdown in relationship between team and stakeholders.	APS Values and Code of Conduct. Public Governance, Performance and Accountability Act. Fair Work Act. Discrimination legislations. Department's Diversity and Inclusion Strategy 2015-18, including Reconciliation Action, Disability Strategy & Action, Agency Multicultural Plans. Relevant clauses in contract; Cultural Diversity, Bias, etc.	Unlikely	Minimal	Minor	PM & Contractors	Yes	Yes

Risk Identification			Effectiveness of Controls	Analysis			Risk Owner	Is Risk within Tolerance? No (Complete Risk Treatment Plan) Yes (Do not need to complete Risk Treatment Plan)	Evaluation Risk Acceptance Y/N Risk Appetite & Tolerance
General Risk Category <i>Risk reference card</i>	Description	Consequence	Current Control(s) (Consider effectiveness)	Risk Rating <i>Risk reference card</i>					
				Likelihood	Consequence	Risk Rating			
Reputation	11. Negative or critical media exposure related to the procurement process or overall programme.	Loss of confidence in ISI programme and its grantees. Increased stress on team. Audit recommendations may result pending severity.	Regular updates from all ISI personnel and contractors. Protect privacy and confidentiality of clients and stakeholders.	Possible	Minimal	Minor	PM	Yes	Yes
Administered Finance	12. Poor budget management when preparing and managing contracts.	Difficulty or inability to continue delivering programme effectively. Loss of confidence in programme by management and contractors. Possible breach of financial management rules.	Multiple levels of approval required prior to payments or expenditure. Accountable Authority Instructions within department. Development and monitoring of detailed budget plan over lifetime of contracts. Financial management systems track and manage funds within budget. Team is trained in Financial and Grant Management systems. Budget processes and departmental reporting for funds movement and variance reporting (PAC NISA Exec.)	Rare	Minimal	Low	PM	Yes	Yes
Administered Finance	13. Commitment and management of payment regimes and expenditure.	Possible loss of programme budget in forward years. Possible breach of financial management rules. Loss of confidence in programme by management, executive or Minister and other stakeholders.	Supplier Pay-on-Time and Pay Interest Policy. Multiple levels of approval required prior to payments or expenditure. Development and monitoring of detailed budget plan over lifetime of contracts. Financial management systems track and manage funds within budget.	Unlikely	Minimal	Minor	PM	Yes	Yes

Risk Identification			Effectiveness of Controls	Analysis			Risk Owner	Is Risk within Tolerance? No (Complete Risk Treatment Plan) Yes (Do not need to complete Risk Treatment Plan)	Evaluation <u>Risk Acceptance</u> Y/N <u>Risk Appetite & Tolerance</u>
General Risk Category <i>Risk reference card</i>	Description	Consequence	Current Control(s) (Consider effectiveness)	Risk Rating <i>Risk reference card</i>					
				Likelihood	Consequence	Risk Rating			
Compliance	14. Staff and contractors do not have appropriate or relevant insurance, such as professional and personal insurance, to undertake contract.	Possibly severe financial and professional consequences in event of accident or contract breach. Could lead to legal or criminal issues.	Departmental staff are covered by Comcare scheme, includes compensation and insurance. Contract includes insurance clause/requirement of contractors.	Unlikely	Moderate	Minor	PM & Contractors	Yes	Yes
Compliance	15. Improper or insufficient adherence to legislative requirements	Decline in reputation of programme and department. Programme may not achieve its outcomes and KPIs. Possible fraud, security, confidentiality or conflict of interest issues may arise. Pending severity, legal or criminal consequences may result.	Monitoring of contractor's activities and performance through regulat meetings and monthly reports. Staff training- Security awareness, APS Values and Code of Counduct, Contract Management, Risk, Financial reporting, Fraud awareness, etc Penalties for breaches of law or APS Codes, etc. Internal and AAO auditing procedures and policies.	Unlikely	Moderate	Minor	PM & Contractors	Yes	Yes
Work Health and Safety	16. Work, Health and Safety standards are not adhered to.	Decline in reputation of programme and department. Negative publicity Pending severity, legal or criminal consequences may result.	Work Health and Safety Act. Penalties for breaching WH&S laws. APS values and Code of Conduct. Open communication between senior management, programme management and contractors.	Rare	Minimal	Low	PM & Contractors	Yes	Yes

Risk Identification			Effectiveness of Controls	Analysis			Risk Owner	Is Risk within Tolerance? No (Complete Risk Treatment Plan) Yes (Do not need to complete Risk Treatment Plan)	Evaluation Risk Acceptance Y/N Risk Appetite & Tolerance
General Risk Category Risk reference card	Description	Consequence	Current Control(s) (Consider effectiveness)	Risk Rating Risk reference card					
				Likelihood	Consequence	Risk Rating			
Fraud and Corruption	17. Encountering conflict/s of interests during procurement or while contracts are ongoing.	Delays in delivering programme outcomes or KPIs. Re-allocation or removal of resourcing within team to avoid conflicts.	Conflict of Interest procedures, declarations and registers. APS values and Code of Conduct. Public Governance, Performance and Accountability Act. Statutory Declarations to be signed by contractors.	Possible	Minimal	Minor	PM & Contractors	No	Yes
Security	18. Mismanagement of intellectual property during procurement process and ongoing contract.	Decline in reputation of programme and department. Breakdown in goodwill and confidence between stakeholders. Possible fraud, legal or criminal consequences may result.	Intellectual Property Rights in Contract Materials. Penalties for IP breaches.	Unlikely	Minimal	Minor	PM & Contractors	No	Yes

Risk Treatment Plan (Internal Use Only)

Programme/Project/Activity	Regional Incubator Facilitators (RIFs)
Branch/Division	Innovation Programmes, AusIndustry
Date Treatment Plan Developed	22/11/2017

Risk Number	Risk Rating	Risk Treatment							
		Treatment Action/s	Responsibility <i>Risk action table</i>			Implementation Agreed timeframes	Monitor & Review <i>Risk action table</i>		
			Risk Owner	Treatment Owner	Escalation		Frequency	Method	Status
1	Minor	Staff to undertake relevant training and upskilling, or consult with more experienced colleagues knowledgeable of similar Procurement processes. Seek advice and support from Procurement and Legal teams.	Programme Management team.	Programme Management team.	Manager – AC Strategy	Lifetime of procurement and ongoing contracts	Ongoing	Weekly discussions and meetings with senior management.	<i>In progress</i>
2	Minor	Consult Procurement and Legal teams as well as senior management for advice to improve quality of tender documents and drafting of contracts. Contingency: Extension of timeframes to complete preparation of tender documents and contracts.	Programme Management Team.	Programme Management team.	Manager – AC Strategy	Before Opening or advertising tender on AusTender or before entering contracts.	Ongoing	Regular catch ups with senior management and Procurement and Legal teams	<i>In progress</i>
6	High	PM to establish a timeline for the procurement process and ensure sufficient resourcing that so key tender documents will be prepared, approved by senior management and submitted in a timely manner. Contingency: Inform stakeholders of any delays as soon as possible, and if necessary extend deadlines for finalising processes in accordance with usual Open Tenders time frames.	Programme Management	Programme Management	Manager – AC Strategy	Before Opening or advertising tender on AusTender or before entering contracts.	Ongoing	Prior to tender advertisement	<i>In progress</i>

Risk Number	Risk Rating	Risk Treatment							
		Treatment Action/s	Responsibility <i>Risk action table</i>			Implementation <i>Agreed timeframes</i>	Monitor & Review <i>Risk action table</i>		
			Risk Owner	Treatment Owner	Escalation		Frequency	Method	Status
8	High	PM will discuss and seek advice from relevant stakeholders including Regional Managers and Policy colleagues about the identified areas and regional scope under consideration for RIF assignments during the planning phase and throughout the procurement lifecycle. Stakeholders in the identified regions will also be consulted for input on this matter. The regional areas may be able to be renegotiated depending on tender responses and stakeholder input. Contingency: Extend timeframes and increase marketing	Programme Management	Programme Management	Manager – AC Strategy	Before Opening or advertising tender on AusTender or before entering contracts.	Ongoing	Regular catch ups with relevant stakeholders by PM team	<i>In progress</i>
17	Minor	Staff involved will sign a declaration of interests (DOI) as part of the procurement plan, and remain aware of changes or arising conflicts of interest while contract/s is ongoing. Contingency: Programme management and senior management staff will discuss involvement of staff in question and possibly remove them from the procurement process if needed.	Programme Management	Programme Management	Manager – AC Strategy	Before Opening or advertising tender on AusTender or before entering contracts.	Ongoing	Regular monitoring by staff involved in the tender and reporting to TAP Chair	<i>In progress</i>
18	Minor	Intellectual property (IP) clauses in contracts will be entered with consultation with Legal. Also treatment of IP will be clearly outlined in the contract and these clauses will be non-negotiable. Contingency: Contract will not be entered or agreed unless prospective contractors agree to IP clauses.	Programme Management	Programme Management	Manager – AC Strategy	Before Opening or advertising tender on AusTender or before entering contracts.	Ongoing	Regular engagement with Legal regarding clauses.	<i>Not started</i>

Procurement risk management plan- RIFs

Risk 1.

Description of risk

Lack of skills, knowledge, experience or availability of staff to prepare and manage the procurement. This includes poor retention of corporate knowledge, access to sufficient legal support and low involvement of senior management support. E.g. Failure to properly describe deliverables, expectations and key outcomes desired in tender documents or contracts.

Risk type

Service delivery/ outcome

Risk management

Likelihood	Possible
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 2.

Description of risk

Poor or untimely preparation of tender documentation and contracts. E.g. preparation of contract clauses.

Risk type

Service delivery/ outcome

Risk management

Likelihood	Possible
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 3.

Description of risk

Successful contractor/s don't deliver quality services and key outcomes as agreed under the contract. This may be due to a lack of skills, knowledge, expertise and qualification of the contractor/s.

Risk type

Service delivery/outcome

Risk management

Likelihood	Unlikely
Consequences	Moderate
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 4.

Description of risk

Low tender response rates may result as the identified regions or markets under consideration may be too large to service given the limited number of RIFs to be procured.

Risk type

Service delivery/outcome

Risk management

Likelihood	Possible
Consequences	Substantial
Overall rating	High
Is the risk acceptable?	Risk is unacceptable

Risk treatment strategy

The Programme Management staff working on this procurement will discuss and seek advice from relevant stakeholders including Regional Managers and Policy colleagues about the identified areas and regional scope under consideration for RIF assignments during the planning phase and throughout the procurement lifecycle. Stakeholders in the identified regions will also be consulted for input on this matter. The regional areas may be able to be renegotiated depending on tender responses and stakeholder input.

Contingency steps

If insufficient tender responses are received, Programme Management will consult with appropriate experts to modify the identified regions or markets under consideration and extend the time frames for tender responses. Advertising and promotion of tender will also be increased to reach a larger audience.

Risk 5.

Description of risk

Lack of experience or skills in negotiation and evaluation of contracts, deliverables and expectations with prospective contractors. E.g. Negotiating contract beyond levels of engagement and regional scope.

Risk type

Service delivery/outcome

Risk management

Likelihood	Unlikely
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 6.

Description of risk

Entering into the contract and commencement of work without full understanding of involved parties' expectations and responsibilities.

Risk type

Service delivery/outcome

Risk management

Likelihood	Unlikely
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 7.

Description of risk

Termination and transition of contractors prior to contract end date.

Risk type

Service delivery/outcome

Risk management

Likelihood	Unlikely
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 8.

Description of risk

Ethical and professional conduct of staff and contractors at all times, to act with care, integrity and due diligence.

Commented S22 Added a risk about ethics

Risk type

Service delivery/outcome

Risk management

Likelihood	Unlikely
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 9.

Description of risk

Termination and transition of contractors prior to contract end date.

Risk type

Service delivery/outcome

Risk management

Likelihood	Unlikely
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 10.

Description of risk

Managing internal and external stakeholders during procurement and ongoing contract periods. E.g. complaints from unsuccessful tenderers or transitional criticisms from existing internal stakeholders.

Risk type

Service delivery/outcomes

Risk management

Likelihood	Possible
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 11.

Description of risk

Management of timeframes during procurement and ongoing contracts.

Risk type

Service delivery/outcomes

Risk management

Likelihood	Possible
Consequences	Substantial
Overall rating	High
Is the risk acceptable?	Risk is unacceptable

Risk treatment strategy

Programme Management will establish a timeline for the procurement process and ensure sufficient resourcing that so key tender documents will be prepared, approved by senior management and submitted in a timely manner.

Contingency steps

Inform stakeholders of any delays as soon as possible, and if necessary extend deadlines for finalising processes in accordance with usual Open Tenders time frames.

Risk 12.

Description of risk

Negative or critical media exposure related to the procurement process or overall programme.

Risk type

Reputational

Risk management

Likelihood	Possible
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 13.

Description of risk

Poor budget management when preparing and managing contracts.

Risk type

Financial

Risk management

Likelihood	Rare
Consequences	Minimal
Overall rating	Low
Is the risk acceptable?	Risk is acceptable

Risk 14.

Description of risk

Commitment and management of payment regimes and expenditure.

Risk type

Financial

Risk management

Likelihood	Unlikely
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 15.

Description of risk

Staff and contractors do not have appropriate or relevant insurance, such as professional and personal insurance, to undertake contract.

Risk type

Compliance

Risk management

Likelihood	Unlikely
Consequences	Moderate
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 16.

Description of risk

Improper or insufficient adherence to legislative requirements.

Risk type

Compliance

Risk management

Likelihood	Unlikely
Consequences	Moderate
Overall rating	Minor
Is the risk acceptable?	Risk is acceptable

Risk 17.

Description of risk

Work, Health and Safety standards are not adhered to.

Risk type

Health and Safety

Risk management

Likelihood	Rare
Consequences	Minimal
Overall rating	Low
Is the risk acceptable?	Risk is acceptable

Risk 18.

Description of risk

Encountering conflict/s of interests during procurement or while contracts are ongoing.

Risk type

Fraud/security

Risk management

Likelihood	Possible
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is unacceptable

Risk treatment strategy

Staff involved will sign a declaration of interests (DOI) as part of the procurement plan, and remain aware of changes or arising conflicts of interest while contract/s is ongoing.

Contingency steps

Programme management and senior management staff will discuss involvement of staff in question and possibly remove them from the procurement process if needed.

Risk 19.

Description of risk

Management of intellectual property during procurement process and ongoing contract.

Risk type

Fraud/security

Risk management

Likelihood	Unlikely
Consequences	Minimal
Overall rating	Minor
Is the risk acceptable?	Risk is unacceptable

Risk treatment strategy

Intellectual property (IP) clauses in contracts will be entered with consultation with Legal. Also treatment of IP will be clearly outlined in the contract and these clauses will be non-negotiable.

Contingency steps

Contract will not be entered or agreed unless prospective contractors agree to IP clauses.

Commented s22 This doesn't seem to match with the risk description. Do we need to add in a new risk description for IP?

Commented s22 Sorry copy n paste error, Risk 6 is 'acceptable' and does not need a treatment plan. IP risk is separate

Freedom of Information

From: No reply
Sent: Thursday, 14 December 2017 1:49 PM
To: s22
Subject: forms.business.gov.au - Form: Procurement risk assessments Submission ID: 12697245
Attachments: Html Output-Procurement risk assessments-W2BR89TF.html

Thank you for completing the Risk Management Plan Form. Please find the electronic Risk Management Plan attached.

The Risk Management Plan is provided in HTML format and should be saved and submitted as part of your procurement documentation.

The Risk Management Plan may be edited by selecting the 'Edit' button when viewing the attached plan.

Please contact the Financial Frameworks Team for assistance with using the Risk Management Plan via procurementinbox@industry.gov.au or 6213 7763.

Please do not reply to this email as it has been sent from an automated system and replies are routed to an unmonitored mailbox.

Agency Name: Financial Frameworks Team at the Department of Industry, Innovation and Science

Department of Industry, Innovation and Science – Procurement Risk Management Plan

Name of procurement: Incubator Support Initiative - Regional Incubator Facilitators

Date finalised: Thu Dec 14 13:49:02 AEDT 2017

Description of risk	Risk type	Likelihood	Consequences	Overall rating	Acceptable?	Risk treatment strategy	Contingency steps
Lack of skills, knowledge, experience or availability of staff to prepare and manage the procurement. This includes access to sufficient legal support and low involvement of senior management support.	Reputational	Possible	Minimal	Minor	Risk is acceptable		
Poor or untimely preparation of tender documentation and contracts. E.g. preparation of contract clauses.	Reputational	Possible	Minimal	Minor	Risk is acceptable		
Lack of experience or skills in negotiation and evaluation of contracts, deliverables and expectations with prospective contractors.	Reputational	Unlikely	Minimal	Minor	Risk is acceptable		
Entering into the contract and commencement of work without full understanding of involved parties' expectations and responsibilities.	Reputational	Unlikely	Minimal	Minor	Risk is acceptable		
Managing internal and external stakeholders during procurement and ongoing contract periods.	Reputational	Possible	Minimal	Minor	Risk is acceptable		
Management of timeframes during procurement and ongoing contracts	Other	Possible	Substantial	High	Risk is unacceptable	PM to establish a timeline for the procurement process and ensure sufficient resourcing that so key tender documents will be prepared, approved by senior management and submitted in a timely manner.	Inform stakeholders of any delays as soon as possible, and if necessary extend deadlines for finalising processes in accordance with usual Open Tenders time frames.
Successful contractor/s don't deliver quality services and key outcomes as agreed under the contract. This may be due to a lack of skills, knowledge, expertise and qualification of the contractor/s.	Service delivery/outcome	Unlikely	Moderate	Minor	Risk is acceptable		

DIIS - Released under FOI Act

Document 4

Description of risk	Risk type	Likelihood	Consequences	Overall rating	Acceptable?	Risk treatment strategy	Contingency steps
Low tender response rates may result as the identified regions or markets under consideration may be too large to service given the limited number of RIFs to be procured.	Service delivery/outcome	Possible	Substantial	High	Risk is unacceptable	PM will discuss and seek advice from relevant stakeholders including Regional Managers and Policy colleagues about the identified areas and regional scope under consideration for RIF assignments during the planning phase and throughout the procurement lifecycle. Stakeholders in the identified regions will also be consulted for input on this matter. The regional areas may be able to be renegotiated depending on tender responses and stakeholder input.	Extend timeframes and increase marketing
Termination and transition of contractors prior to contract end date	Service delivery/outcome	Unlikely	Minimal	Minor	Risk is acceptable		
Ethical and professional conduct of staff and contractors at all times, to act with care, integrity and due diligence	Service delivery/outcome	Unlikely	Minimal	Minor	Risk is acceptable		
Negative or critical media exposure related to the procurement process or overall programme.	Reputational	Possible	Minimal	Minor	Risk is acceptable		
Poor budget management when preparing and managing contracts.	Financial	Rare	Minimal	Low	Risk is acceptable		
Commitment and management of payment regimes and expenditure.	Financial	Unlikely	Minimal	Minor	Risk is acceptable		
Staff and contractors do not have appropriate or relevant insurance, such as professional and personal insurance, to undertake contract.	Compliance	Unlikely	Moderate	Minor	Risk is acceptable		
Improper or insufficient adherence to legislative requirements	Compliance	Unlikely	Moderate	Minor	Risk is acceptable		
Work, Health and Safety standards are not adhered to.	Health and safety	Rare	Minimal	Low	Risk is acceptable		

DIIS - Released under FOI Act

Document 4

Description of risk	Risk type	Likelihood	Consequences	Overall rating	Acceptable?	Risk treatment strategy	Contingency steps
Encountering conflict/s of interests during procurement or while contracts are ongoing.	Fraud/security	Possible	Minimal	Minor	Risk is unacceptable	Staff involved will sign a declaration of interests (DOI) as part of the procurement plan, and remain aware of changes or arising conflicts of interest while contract/s is ongoing. Conflict of Interest procedures, declarations and registers. APS values and Code of Conduct. Public Governance, Performance and Accountability Act. Statutory Declarations to be signed by contractors	Programme management and senior management staff will discuss involvement of staff in question and possibly remove them from the procurement process if needed.
Mismanagement of intellectual property during procurement process and ongoing contract.	Fraud/security	Unlikely	Minimal	Minor	Risk is unacceptable	Intellectual property (IP) clauses in contracts will be entered with consultation with Legal. Also treatment of IP will be clearly outlined in the contract and these clauses will be non-negotiable. Intellectual Property Rights in Contract Materials. Penalties for IP breaches.	Contract will not be entered or agreed unless prospective contractors agree to IP clauses.

[Edit](#)