

Please note that these minutes remain unconfirmed until the meeting of Finance, Evaluation and Risk Committee on 25 November 2008.

Report 08.809

21 October 2008

File: E/06/30/02

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Minutes of the meeting of the Finance, Evaluation and Risk Committee held in the Wellington Regional Council Chamber, 142 Wakefield Street, Wellington on Tuesday, 21 October 2008 at 9.30am

Present

Councillors Aitken (Chairperson), Glensor & Wilde, and Mr Hakaraia.

Also Present

Stuart Henderson (Director, Asia – Pacific Risk Management), and John Sloan (Sloan Risk).

Officers Present

Benham, Bradbury, Buxton, Kennedy Reay, Timmer, and Turfrey.

Public Business

FER 64 **Apologies**

Resolved

(Cr Glensor /Cr Wilde)

That the Committee:

Accepts the apologies for absence from Councillors Donaldson, Kirton, and Lamason.

FER 65 **Declarations of interest**

There were no declarations of conflict of interest.

FER 66 **Public Participation**

No members of the public wished to participate in the meeting.

FER 67 **Confirmation of Minutes**

Resolved (Cr Wilde/Mr Hakaraia)

That the Committee:

Confirms the minutes of the meeting of 16 September 2008, Report 08.685

FER 68 **Treasury Management Policy**

Report 08.742

File: CFO/31/04/01

Resolved

(Cr Aitken/Cr Wilde)

That the Committee recommends to Council that it:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Approves the Treasury Management Policy, as amended, and recommends it for inclusion in the 2009-19 LTCCP.*

The CEO, CFO and Treasurer, who had been primarily involved in designing this policy, were congratulated by the Committee on this robust and comprehensive manner in which the former policy had been analysed, reviewed and reshaped.

Mr Stuart Henderson of Asia Pacific was thanked by the Committee for his assistance to officials in drafting this policy.

Noted

Officers were asked to arrange for Stuart Henderson of Asia Pacific to make a presentation to the next Council meeting on the economic context within which GWRC will be operating in future.

The meeting was adjourned between 11:13 am and 11:32 am for morning tea.

FER 69 Insurance Review

Report 08.744

File: G/16/31/01

Resolved

(Cr Glensor/Mr Hakaraia)

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Request Officers to provide feedback on the questions to the next committee meeting.*

Mr John Sloan was thanked by the Committee for his assistance in drafting this policy.

FER 70 Risk Management Framework Development

Report 08.745

File: G/16/30/01

Resolved

(Cr Aitken/.Cr Wilde)

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Approves the criteria used by Quantate, as noted in Attachment 1, subject to any changes the Committee may have.*

Noted

Councillor Aitken expressed her ongoing reservations about the strength of the overall risk management framework, reliance on a software programme (Quantate) as the primary risk management tool, and the fact that the policy does not reflect business practice which makes, for instance, an explicit distinction between managing risks associated with issues and those arising in respect to realised events.

FER 71 Wholesale Water Infrastructure Assets – Review of Insurance Policy

Report 08.775

File: B/06/08/03

Resolved

(Cr Wilde/Cr Glensor)

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Approves the insurance of the Water pipeline, lake and tunnel assets for earthquake damage to the maximum probable loss, with an excess of \$10M.*
4. *Notes that the total annual contribution to mitigating the risk of seismic damage to pipeline, lake and tunnel assets remain at \$750,000 adjusted annually at the forecast rate of inflation used in compiling the LTCCP.*
5. *Agrees that the balance between the annual insurance premium and the total amount budgeted for damage mitigation is added to the Earthquake Damage Repair Fund.*
6. *Notes that these provisions be reviewed every five years or if the insurance premium increases significantly more than the rate of inflation.*
7. *Notes those recommendations 3, 4, 5 and 6 are subject to the approval of the Parks, Forests and Utilities Committee meeting on 23 October.*

FER 72 Human Resources Framework

Oral report

Leigh-Anne Buxton, Human Resources Manager, gave a Powerpoint presentation. The Committee thanked the HR Manager for this instructive and useful report, and for the progress made on this important matter. Councillors who had been unable to be present for the verbal report were invited to ask the HR Manager for a separate session.

The meeting closed at closed at 12.27 pm.

CR JE AITKEN
Chairperson

Date: