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Committee Council
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Report on the Risk and Assurance Committee meeting, 19 February 2014

1. Purpose

To inform the Council of the Risk and Assurance Committee (the Committee) meeting of 19 February 2014.

2. Reports

2.1 6 month review for year ended 31 December 2013

The Committee discussed the 6 month review for the year ended 31 December 2014. This included the year-end reviews from the People and Capability, Finance and Support – ICT, and Strategy and Community Engagement – Communications groups.

The Committee discussed the staff turnover statistic for the quarter which was 13.7%. This has increased slightly from a steady period of turnover at around 12.1%, largely due to increased buoyancy in the job market, but still falls within the healthy turnover range which is between 12 and 15%.

The Committee requested an update on the Readynet emergency management programme. After assessing the programme and finding it to be no longer financially viable, Wellington Region Emergency Management Office (WREMO) has pursued other tools and initiatives to provide emergency management coverage to schools and organisations. In doing so, WREMO engaged with each stakeholder including New Zealand Police, New Zealand Fire Service and the Ministry of Education in the development of a replacement programme which is due to be up and running shortly.

The Committee discussed the importance of robust communication with the schools and organisations who were signed up to Readynet about the alternative programme in the meantime. It was also agreed that Councillors

would receive an update on the replacement programme at an upcoming Council workshop.

The Committee discussed the progress of the Information and Communication Technology (ICT) department's High Availability Wide Area Network (HAWAN) project, which is scheduled for completion and integration by July 2014. This fibre network will allow for a much greater degree of stability in the future and, as such, is a great disaster recovery strategy.

The Committee also received an update on the ICT shared services initiatives which are being undertaken by the region's Territorial Authorities (TAs). These include a regional ICT shared services strategy, merging to common platforms over time, a new Electronic Document and Records Management System and the expansion of the region's TAs' network interconnectivity. The next step in the process is for Deloitte, who has been working with the region's TAs on the project, to provide a paper to the Regional Chief Executive Officer's Forum on 21 February 2014 about the possibility of developing a business case for the project.

2.2 2012/3 External audits and reviews

The Committee received an update on the audits and reviews undertaken on Greater Wellington Regional Council's (GWRC) activities over the last 12 months. Although GWRC does not have a formal internal audit function, there are a number of audits and reviews undertaken by the individual groups.

The Committee discussed the importance of proactive risk management in order to ensure the areas and activities within each group that are most in need of review are correctly identified.

The Committee commended officers for the usefulness of the report, and requested that annual external audit and review reports be provided to the Committee for each group, at the end of every calendar year.

2.3 Summary Risk Report

The Committee discussed the summary risk report, and noted that reporting has significantly improved over time.

Since the last summary risk report, two new risk scoring criteria; Health & Safety and Environmental, were added to the consequence criteria used to score risks. There were also 23 new risks added to the register and 6 risks that had been removed (some of which have been amalgamated into existing risks which have been expanded).

2.4 Water Group Risk Presentation

The Committee received a presentation on risk management in the Water Group. The presentation included information on the Group's risk management strategies, and looked at how the risks are incorporated into the planning process. There was also an overview of the specific risks for the Water Group, including the differences between prescribed risks, for which legislation provides a mandate for compliance, and non-prescribed risks.

The presentation also looked at emerging risks for the Water Supply group and how these are being monitored.

2.5 Accident Compensation Corporation Workplace Safety Management Practices (ACC WSMP) Audit report

The Committee discussed the ACC WSMP programme audit, which was conducted in November/December 2013. The programme rewards employers who build safer workplaces by putting in place health and safety systems and processes that promote injury prevention. Each level offers a discount on the employer's standard ACC Workplace Cover levies:

Primary	which earns a 10% discount
Secondary	which earns a 15% discount
Tertiary	which earns a 20% discount

As part of the programme, GWRC is required to undertake an external audit every two years. GWRC first participated in the ACC WSMP programme in 2007 when it achieved primary status. In 2009 and 2011 secondary status was achieved and in 2013 the auditor recommended to ACC that GWRC met the audit requirements to attain tertiary status, which was confirmed by ACC. As a result, GWRC receives an additional 5% discount on our standard Workplace Cover levies, which amounts to an approximate \$7,500 per annum.

The Committee commended the achievement of tertiary status and thanked the officers involved.

2.6 Quad Bike Review Report

The Committee received an update on the Quad Bike Review report; the outcome of an internal review of quad bike use in the organisation. Due to national interest in quad bike use and concerns about the number of quad bike incidents occurring in the organisation, the Health and Safety Advisory Group (which is established as a part of the organisation's Health and Safety Management System) initiated a review to examine the use of quad bikes within the organisation, to determine whether they were 'fit for purpose' and to look at how the risks associated with their use could be minimised.

The review panel put forth a number of recommendations which were subsequently approved by the Executive Leadership Team (ELT).

The Committee was informed that, as a result of the review, the following actions have been taken:

- a 'field day' was held for staff who regularly use quad bikes to test other types of Light Utility Vehicles, and the Land Management Department subsequently purchased a new Light Utility Vehicle called a 'mule'
- a Standard Operating Procedure (SOP) has been approved by ELT to specify limitations on the use of quad bikes
- an assessment of rider training and competence was undertaken, and further training arranged where required, and
- GWRC is continuing to monitor research on the use of quad bikes.

2.7 Appointment of a non-elected member to the Risk and Assurance Committee

The Committee went into a public excluded session to discuss the appointment of a non-elected member to the Committee.

3. The decision-making process and significance

No decision is being sought in this report.

4. Recommendations

That the Council:

- 1. **Receives the report.***
- 2. **Notes the content of the report.***

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