

QUARTERLY RISK REPORT 31 DECEMBER 2012 - TOP TEN RISKS

Overall ranking by residual score	Risk ID	Description	Risk Owner	Inherent Classification	Residual Classification	Controls	Status change since last quarter
1	28	Emergency Management unable to cope with major disaster	Rian van Schalkwyk	High Risk	High Risk	Wellington Region Civil Defence Emergency Plan Memo of understanding with other Councils	Greater Wellington employs 20 staff in the newly formed Wellington Region Emergency Management Office (WREMO). WREMO is responsible for delivering CDEM on behalf of the nine councils across the Wellington region and focus primarily on increasing community resilience, effective risk management and optimum operational capacity and capability
2	59	Customers are unhappy with Metro rail service performance because of the failure of rail network infrastructure	Kerry Saywell	High Risk	Medium Risk	<p>GW to ensure that KiwiRail has a robust rail asset management plan that:</p> <ul style="list-style-type: none"> • Focuses funded renewal activities on critical components of the network • Provides for infrastructure monitoring and inspections <p>GW to ensure that KiwiRail has an emergency response plan that:</p> <ul style="list-style-type: none"> • Provides for efficient bus replacements • Provides for effective customer communications in the event of a failure <p>GW has a rail upgrade communications plan that informs the public about the upgrade programme and the reliability that can be expected</p>	<p>In the quarter GW has:</p> <ul style="list-style-type: none"> • Implemented an interim performance based track access agreement with KiwiRail and worked with Kiwirail to develop a long term performance based track access agreement • Held regular operations meetings with Kiwirail to ensure that planned disruptions are communicated with customers and that appropriate bus replacements are organised by Kiwirail • Held regular network performance meetings with Kiwirail to review the monthly reports and monitor operational performance • Funded operation and maintenance and renewal of the network infrastructure and agreed a prioritisation framework with Council • Worked with Kiwirail on their 2013/14 renewals plan and Network (Asset) Management Plan • Considered the network performance in the executive steering group meeting with Kiwirail <p>No change in status</p>
3	60	Customers are unhappy with Metro rail service performance because of the failure of rail rolling stock	Kerry Saywell	High Risk	Medium Risk	<p>GW ensure that KiwiRail maintain high standards of rolling stock maintenance.</p> <p>GW ensure that KiwiRail have an emergency response plan that:</p> <ul style="list-style-type: none"> • Provides for efficient bus replacements • Provides for effective customer communications in the event of a failure <p>GW has a rail upgrade communications plan that:</p> <ul style="list-style-type: none"> • Informs the public about the upgrade programme and the reliability that can be expected <p>GW ensures that the Matangi project has strong project management and appropriate incentives are in place to ensure that the supplier delivers a quality product</p>	<p>In the quarter GW has:</p> <ul style="list-style-type: none"> • Held regular operations meetings with Kiwirail to ensure that service disruptions are appropriately communicated with customers and that appropriate bus replacements are organised by Kiwirail • Held regular rolling stock maintenance meetings with Kiwirail to review the monthly reports and monitor fleet performance • Funded the rolling stock maintenance and heavy maintenance work performed by Kiwirail • Continued working on the draft asset management plans • Continued to actively manage the programme for the introduction of the new Matangi trains • Continued the work required to replace the Ganz Mavag trains • Utilised the best condition Ganz Mavag units as more Matangi units came into service • Considered rolling stock performance in the executive steering group meeting with Kiwirail <p>No change in status</p>
4	71	Deterioration of the global financial position increases fiscal pressure on GW, impacting service delivery.	Bruce Simpson	Medium Risk	Medium Risk	<p>Sound budget processes.</p> <p>Strong focus on managing business as usual costs.</p>	This situation while problematic, appears to be slowly abating

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5	36	Council making decisions without complying with the decision-making requirements of the LGA 2002 (or other legislation).	Francis Ryan	High Risk	Medium Risk	Internal review (Manager, Democratic Services) Training of Users (Manager, Democratic Services) Decision making Process & Guidelines	Amendments have been made to the decision-making part of the LGA. Democratic Services is reviewing the decision-making guidelines and Council/committee report templates to ensure that they comply with the amended decision-making requirements.
6	19	Danger to staff and public from pest eradication	Davor Bejakovich	Medium Risk	Medium Risk	Department Hazard Registers Health & Safety Plan RPMS Operational Plans and Bovine Tb Vector Control Plans Bioworks Department Standard Operating Procedures	No change to status. Risk reviewed and not re-rated. All controls remain critical and effective.
8	75	Disruption to staff and business as usual due potential Council reorganisation	Leigh-Anne Buxton	Medium Risk	Medium Risk	Effective communication with staff will help lower the risk of negative impact	CEO has had regular communication to staff, including blogs, staff meetings, and planned staff meeting
9	27	Disruption in continuity of supply of Information systems services to the Council and the Community	Fran Hyland	Medium Risk	Medium Risk	Backup of SAP Wellington records in the Wairarapa	Work continues on high availability network. Moved Regional Council Centre Data centre to Wellington City Premise successfully, Data centre to be move to Trentham in July
11	51	Customers are unhappy with contracted bus and ferry services because of the failure to meet reliability and/or quality targets	Kerry Saywell	High Risk	Medium Risk	Maintain strong relationships with bus & ferry operators including regular meetings and reporting on performance	In the quarter GW has: <ul style="list-style-type: none"> • Maintained strong relationships with operators, including regular meetings & performance reporting • Completed asset management plans for bus infrastructure assets • Continued the rolling programme of timetable improvements making use of data available from the Real Time Information system • Continued the programme of operational audits to ensure that safety, quality standards and reliability of information are maintained by the operators No change in status
12	67	The cost of contracted bus services significantly exceeds the budget due to unforecast changes in the diesel bus contract index	Kerry Saywell	Medium Risk	Low Risk	Monitor the oil price and exchange rate and undertake hedge if considered necessary Make robust but conservative budget estimates of the index Maintain and use a reserve fund to mitigate fluctuations over time Amend operator contracts to include the new N	In the quarter GW has: <ul style="list-style-type: none"> • Monitored the oil price and exchange rate • Used up-to-date exchange rates and oil prices in preliminary 2013/14 budget estimates No change in status