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Committee Council
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Report on the Finance, Risk and Assurance Committee meeting, 24 November 2015

1. Purpose

To inform the Council of the Finance, Risk and Assurance Committee (the Committee) meeting of 24 November 2015.

2. Reports

2.1 Health and Safety update

The Committee received a presentation from officers on the new Health and Safety at Work Act, due to come into effect on 4 April 2016.

There are a number of changes in the new Act including the establishment of a new duty holder - Person Conducting a Business or Undertaking (PCBU). Greater Wellington Regional Council is a PCBU, and councillors and the Chief Executive are identified as “officers” of the PCBU. Officers are required to exercise due diligence to ensure the PCBU complies with its duties or obligations under the Act.

The Act expressly states that councillors do not have a duty to exercise due diligence in relation to Council Controlled Organisations, unless that member is also an officer of that Council Controlled Organisation.

As the definition of “worker” under the new Act is broader than the definition of “employee”, the organisation is reviewing its engagement structure and processes to engage more broadly with employees, contractors and sub-contractors.

2.2 Risk management in the Environment Management Group

The Committee received a presentation from officers in the Harbours Department (Harbours) and the Hydrology Department (Hydrology) on environment management risks.

The Committee noted that the two main risks in Harbours were boat collisions and oil spills. Boat collisions can be caused by poor navigation. To mitigate the risk, Harbours has upgraded the main lighthouse on Beacon Hill.

Oil spills are a risk, coming from not only ships but infrastructure as well. Harbours mitigate the oil spill risk by having oil spill equipment readily serviced and on hand. The Committee discussed various methods of stopping oil spills, including booms.

It also discussed the challenges of people recreationally jumping off the bridge in Paremata and exiting the water via the boat launching area. There will be extra security available from mid-December to control “jumpers” swimming within the boat launching area.

The Committee noted that the main risk for Hydrology was a failure in the Flood Warning system resulting in damage to assets. To alleviate this risk, Hydrology has a network of key sites that are regularly monitored with information supplied to Flood Protection. While Hydrology focusses on the whole region, it monitors the key areas in the region at risk of flooding where most people live or work, such as: the Hutt River riverside carpark, Waiwhetu, Waikanae and the Wairarapa.

2.3 Summary Risk Report

The Committee received a report on environment risk management and changes to the Council risk register. This is part of normal quarterly reporting.

2.4 General Managers' Report to the Finance, Risk and Assurance Committee 24 November 2015

The Committee received a report from the general managers of People and Customer and Corporate Services on activities relating to the Committee's areas of responsibility. These activities included finance, legal and procurement, ICT, health and safety, communications and marketing, and human resources.

The Committee discussed the rail tender evaluation and noted that there would be a report on the matter at the 16 December 2015 Council meeting. The Committee also discussed P-Cards and their controls for spending, the new Contact Centre and the Treasury update.

2.5 Summary Financial Statements for the four months ended 31 October 2015

The Committee received the summary of financial performance report for the four months ended 31 October 2015.

The Committee noted that the year to date operating surplus before transport improvements and non-operational movements is favourable by \$2.7m relative to budget. This surplus is due to a delay in activities; spending is expected to catch up later in the year.

2.6 Audit Management Report for the year ended 30 June 2015

The Committee received a report presenting the Audit Management Report for the year ended 30 June 2015. The Committee noted that there were no areas of concern.

2.7 Public Transport Rates Funding Review

The Committee received a report seeking approval to delay the review of rates funding for public transport until the Local Government Commission has announced its local governance proposals for the Wellington region. The review was intended to occur in 2015.

The Committee discussed GWRC's approach to funding public transport.

2.8 Legal Compliance Update

The Committee received a report on the Council's legal compliance review. Earlier this year, GWRC carried out a review of all the major acts that impact its operations. The Committee noted that there were no areas of concern.

3. The decision-making process and significance

No decision is being sought in this report.

3.1 Engagement

Engagement on this matter is unnecessary.

4. Recommendations

That the Council:

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

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