QUANTATE RISK MANAGEMENT

Overall ranking by residual score	Risk ID	Description	Details	Inherent Likelihood	Inherent Financial Description	Inherent Operational Capability Description	Inherent Stakeholder/Reputation Description	Residual Likelihood	Residual Financial Description	Residual Operational Capability Description	Residual Stakeholder/Reputation Description	Inherent Classification	Residual Classification	Controls
1	51	Contracted public transport services do not meet reliability and/or quality targets	Contracted public transport services fail to operate, are unreliable or of poor quality	Near Certain	Exp $0.5m-$1m	Managed	Major	Near Certain	Exp $0.5m-$1m	Managed	Major	Very High Risk	Very High Risk	Maintain strong relationships with operators including regular meetings and reporting on performance (Confidence: Ineffective, Reliance: Critical)
2	62	Late introduction of Matangi into revenue service	Matangi introduction to service is delayed beyond 2010 causing delay in GanzMavag refurbishment, loss of confidence in GWRC, rail and delaying patronage and revenue recovery	Likely	Exp $1m-$5m	Managed	Major	Likely	Exp $1m-$5m	Minor	Major	High Risk	High Risk	Ensure strong project management in the design, manufacture, and delivery including: •Strong risk management within Matangi project and WRRP project •Involvement of KiwiRail operations and network in design, manufacture and commissioning •Adequate technical support agreement and in-country support (Confidence: Satisfactory, Reliance: Critical) Provide incentives for the supplier to deliver a quality product through contractual provisions including warranties and liquidated damages (Confidence: Effective, Reliance: Significant) Ensure regular and formal executive attention within and between KiwiRail and GWRC to ensure problems identified early and addressed (Confidence: Satisfactory, Reliance: Significant) Carry out effective transition-in planning (Confidence: Satisfactory, Reliance: Critical)
3	28	Emergency Management unable to cope with major disaster	EM is overwhelmed by scale of disaster, inability to mobilise resources viz staff (numbers), facilities (adequacy), infrastructure (availability/adequacy)	Unlikely	Exp >$15m	Diversion >12mths	Extreme	Unlikely	Exp >$15m	Diversion >6mths	Major	High Risk	High Risk	Wellington Region Civil Defence Emergency Plan (Confidence: Satisfactory, Reliance: Critical) Memo of understanding with other Councils (Confidence: Satisfactory, Reliance: Critical)
4	67	The cost of contracted bus services significantly exceeds the budget due to unforecast changes in the diesel bus contract index	The diesel bus contract index is significantly affected by the international price of oil and the NZ/US dollar exchange rate. Increases in the price of oil and/or a decrease in the exchange rate will increase the cost of providing contracted bus services	Near Certain	Exp $5m-$10m	Diversion >2mths	Individual	Likely	Exp $5m-$10m	Diversion >2mths	Individual	High Risk	Medium Risk	Monitor the oil price and exchange rate and undertake hedge if considered necessary (Confidence: Satisfactory, Reliance: Important) Make robust but conservative budget estimates of the index (Confidence: Effective, Reliance: Significant) Maintain and use a reserve fund to mitigate fluctuations over time (Confidence: Effective, Reliance: Significant) Amend operator contracts to include the new NZTA inflation index and the new fare recovery provision (Confidence: Satisfactory, Reliance: Critical)
5	60	Metro rail services do not meet reliability targets due to failure of GanzMavag fleet	The full cost of refurbishment of the GanzMavag fleet is unaffordable, so peak services are provided with a number of unreliable rolling stock. As a result on-going rolling stock failures have the potential to impact negatively on rail on-time performance causing loss of confidence in GWRC, rail and delaying patronage and revenue recovery	Likely	Exp $1m-$5m	Managed	Major	Likely	Exp $1m-$5m	Managed	Moderate	High Risk	Medium Risk	GW ensure that KiwiRail maintain high standards of maintenance on the unrefurbished fleet. (Confidence: Ineffective, Reliance: Critical) GW ensure that KiwiRail have an emergency response plan that: •Provides for efficient bus replacements •Provides for effective customer communications in the event of a failure (Confidence: Satisfactory, Reliance: Important) GW has a rail upgrade communications plan that: •Informs the public about the upgrade programme and the reliability that can be expected (Confidence: Satisfactory, Reliance: Significant)
6	59	Metro rail services do not meet reliability targets due to infrastructure failure	The full cost of rail infrastructure renewals and catch-up renewals is unaffordable, so work does not proceed. As a result on-going network failures have the potential to impact negatively on rail on-time performance causing loss of confidence in GWRC, rail and delaying patronage and revenue recovery.	Near Certain	Exp $1m-$5m	Managed	Major	Likely	Exp $1m-$5m	Managed	Moderate	Very High Risk	Medium Risk	GW ensure that KiwiRail has a robust asset management plan that: •Focuses funded renewal activities on critical components of the network •Provides for infrastructure monitoring and inspections (Confidence: Satisfactory, Reliance: Critical) GW ensure that KiwiRail have an emergency response plan that: •Provides for efficient bus replacements •Provides for effective customer communications in the event of a failure (Confidence: Satisfactory, Reliance: Important) GW has a rail upgrade communications plan that informs the public about the upgrade programme and the reliability that can be expected (Confidence: Satisfactory, Reliance: Significant)
7	61	Metro rail services do not meet reliability targets due to failure of Matangi fleet	Matangi trains are not reliable, delaying GanzMavag refurbishment resulting in on-going rolling stock failures impacting negatively on on-time performance, causing loss of confidence in GWRC, rail and delaying patronage and revenue recovery	Unlikely	Exp $1m-$5m	Managed	Major	Unlikely	Exp $1m-$5m	Managed	Major	Medium Risk	Medium Risk	Ensure strong project management in the design, manufacture, delivery, commissioning and maintenance of the Matangi fleet, including: •Strong risk management within Matangi project and WRRP project •Involvement of KiwiRail operations and network in design and manufacture •Rigid design and testing procedures •Close monitoring by in-country manufacturing manager •Adequate technical support agreement and in-country support Adequate maintenance including provision of spare parts (Confidence: Satisfactory, Reliance: Significant) Provide incentives for the supplier to deliver a quality product through contractual provisions including warranties and liquidated damages (Confidence: Effective, Reliance: Significant) GW ensure that KiwiRail have an emergency response plan that: •Provides for efficient bus replacements Provides for effective customer communications in the event of a failure (Confidence: Satisfactory, Reliance: Important)
8	52	Late delivery of Matangi	Matangi delivery does not meet published timeline, delaying GanzMavag refurbishment resulting in on-going rolling stock failures impacting negatively on on-time performance, loss of confidence in GWRC, rail and delaying patronage and revenue recovery	Unlikely	Exp $1m-$5m	Minor	Major	Unlikely	Exp $1m-$5m	Minor	Major	Medium Risk	Medium Risk	Ensure strong project management in the design, manufacture, and delivery including: •Strong risk management •Ability to provide additional resources to assist if necessary (Confidence: Satisfactory, Reliance: Critical) GW has a rail upgrade communications plan that advises the public about delivery dates (Confidence: Satisfactory, Reliance: Important) Provide incentives for the supplier to deliver a quality product through contractual provisions including warranties and liquidated damages (Confidence: Effective, Reliance: Significant)
9	36	Council making decisions without complying with the decision-making requirements of the LGA 2002 (or other legislation).	Council does not comply with due process when making decisions.	Near Certain	Exp $0.5m-$1m	Diversion >2mths	Moderate	Likely	Exp $0.5m-$1m	Diversion >2mths	Single	High Risk	Medium Risk	Internal review (Manager, Democratic Services) (Confidence: Satisfactory, Reliance: Important) Training of Users (Manager, Democratic Services) (Confidence: Satisfactory, Reliance: Critical) Decision making Process & Guidelines (Confidence: Effective, Reliance: Significant)
10	55	Loss of the provision of IT service delivery	Loss due to equipment failure, due to age of equipment with items being beyond warranty and service life	Likely	Exp $1m-$5m	Managed	Individual	Likely	Exp $1m-$5m	Managed	Individual	Medium Risk	Medium Risk	Relationship with suppliers and peers, relying on them to provide solution or temporary fix while new item purchased. (Confidence: Satisfactory, Reliance: Significant)
11	27	Disruption in continuity of supply of Information systems services to the Council and the Community	IT services are disrupted through adverse event be it seismic, fire, virus attact, theft, electrical fault etc	Unlikely	Exp $5m-$10m	Diversion >2mths	Moderate	Unlikely	Exp $5m-$10m	Diversion >2mths	Moderate	Medium Risk	Medium Risk	Backup of SAP Wellington records in the Wairarapa (Confidence: Satisfactory, Reliance: Important)
12	65	The Real Time Information Project does not meet public expectations	Delays in the delivery of the Real Time Information Project and/or poor performance undermine public confidence in the system	Unlikely	Exp $1m-$5m	Diversion >2mths	Major	Highly Unlikely	Exp $1m-$5m	Diversion >2mths	Major	Medium Risk	Medium Risk	Ensure strong project management in the design, manufacture, delivery, commissioning and maintenance of the Real Time Information System including: •Strong risk management •Involvement of local bus operators throughout the project design and implementation •Rigid design and testing procedures, including a Pilot •Close liaison and on-going technical support from supplier (Confidence: Effective, Reliance: Critical) Provide incentives for the supplier to deliver a quality product through contractual provisions including warranties and liquidated damages (Confidence: Effective, Reliance: Significant)
13	66	The new rail timetable does not work	The new rail timetable to be introduced for the Matangi trains and line extension to Waikakae proves to be unworkable resulting in service disruptions and failure to meet customer expectations	Unlikely	Exp $1m-$5m	Diversion >2mths	Major	Highly Unlikely	Exp $1m-$5m	Diversion >2mths	Major	Medium Risk	Medium Risk	Independent review of the new timetable before GWRC acceptance (Confidence: Effective, Reliance: Critical) Internal GWRC review of the new timetable (Confidence: Effective, Reliance: Significant) Ensure regular and formal executive attention within and between KiwiRail and GWRC to ensure problems identified early and addressed (Confidence: Satisfactory, Reliance: Important) Establishment of a Timetable Committee (Confidence: Satisfactory, Reliance: Significant) GW ensure KiwiRail has a plan to revert to old timetable if new timetable proves unworkable (Confidence: Effective, Reliance: Critical)
14	33	The Electoral Officer is required to re-run an election process	An election or poll is declared void and a new election or poll is required	Unlikely	Exp <$0.5m	Diversion >2mths	Major	Highly Unlikely	Exp <$0.5m	Diversion >2mths	Major	Medium Risk	Medium Risk	Training users (Confidence: Effective, Reliance: Critical) Triennial memo of understanging on conducting Elections from other Councils (Confidence: Effective, Reliance: Significant) Insurance for Election re-run is available (Confidence: Effective, Reliance: Critical)
15	68	CentrePort gets into financial difficulty that requires Council support.	CentrePort requires the financial support of the Council as it bankers become concerned over its ability to repay its debt.	Highly Unlikely	Exp >$15m	Diversion >6mths	Moderate	Highly Unlikely	Exp $10m-$15m	Diversion >2mths	Single	High Risk	Medium Risk	Competent directors & management with regular reporting to shareholder (Confidence: Effective, Reliance: Significant) SCI and oversight by shareholder with major transactions requiring shareholer approval (Confidence: Effective, Reliance: Critical) Commercial property is on long term leases and provides buffer against economic down turn (Confidence: Satisfactory, Reliance: Important)
16	19	Danger to staff and public from pest erradication	Danger to staff/public/non targeted species from poisions and processes used in pest erradication (e.g. aerial 1080 operations)	Unlikely	Exp $0.5m-$1m	Managed	Major	Unlikely	Exp <$0.5m	Minor	Moderate	Medium Risk	Medium Risk	Department Hazard Registers (Confidence: Effective, Reliance: Critical) Health & Safety Plan (Confidence: Effective, Reliance: Critical) RPMS Operational Plans and Bovine Tb Vector Control Plans (Confidence: Satisfactory, Reliance: Significant) Department Standard Operating Procedures (Confidence: Satisfactory, Reliance: Critical)

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17	17	Failure of flood protection structures and measures	Failure of flood protection structures during flooding and seismic events causing danger to the public and significant damage to property and Council assets. Failure of protection structures could also be a result of professional negligence (design and construction)	Highly Unlikely	Exp >$15m	Diversion >12mths	Single	Highly Unlikely	Exp $1m-$5m	Diversion >6mths	Single	High Risk	Medium Risk	Insurance is in place (Confidence: Effective, Reliance: Critical) Flood Protection Asset Management Plans (FPAMP) (Confidence: Effective, Reliance: Critical) Specific contingency fund to assist with damage repair for structures (Confidence: Effective, Reliance: Critical)
18	63	GW incurs unnecessary costs or delays as a result of poor procurement decisions	GW incurs unnecessary costs or delays as a result of poor procurement decisions due to poor process or failure to follow process, resulting in: •Ïproject or service implementation delays and/or damages against GW; GW entering contracts that do not deliver the best value for money	Likely	Exp $5m-$10m	Diversion >2mths	Single	Unlikely	Exp $5m-$10m	Managed	Individual	Medium Risk	Medium Risk	Ensure documented processes conform to Office of Auditor General's Guidelines and NZ Transport Agency requirements (Confidence: Satisfactory, Reliance: Significant) Engage an independent Probity Auditor for all major contracts (Confidence: Effective, Reliance: Significant) Internal peer review (Confidence: Effective, Reliance: Significant)
19	10	Forests - Wind throw	Wind damage to trees from adverse weather conditions	Near Certain	Exp <$0.5m	Minor	Individual	Likely	Exp <$0.5m	Minor	Individual	Medium Risk	Medium Risk	
20	25	Loss of Council funds	Defalcation of Council funds by staff member(s)	Near Certain	Exp $0.5m-$1m	Diversion >2mths	Moderate	Unlikely	Exp <$0.5m	Managed	Single	High Risk	Medium Risk	Insurance is in place (Confidence: Effective, Reliance: Critical) Treasury Policy (Confidence: Effective, Reliance: Critical) Internal Accounting Controls (Confidence: Effective, Reliance: Critical) Accounting External & Internal Audit (Confidence: Effective, Reliance: Critical)
21	26	Loss of financial and other important records	Loss of records through fire, water damage or electronic outage or complete loss of data	Unlikely	Exp $1m-$5m	Diversion >2mths	Moderate	Unlikely	Exp <$0.5m	Managed	Single	Medium Risk	Medium Risk	Insurance is in place (Confidence: Effective, Reliance: Critical) Offsite back up storage (Confidence: Effective, Reliance: Critical)
22	57	Death or severe harm to Catchment staff while undertaking work programmes	All health & safety associated risks causing death or severe harm to staff while carrying out Catchment work programmes. e.g. serious harm when using vehicles, equipment, and working around heavy machinery. Also includes severe falls and exposure.	Unlikely	Exp $1m-$5m	Managed	Moderate	Unlikely	Exp $0.5m-$1m	Managed	Single	Medium Risk	Medium Risk	Insurance is in place (Confidence: Effective, Reliance: Critical) Department Hazard Registers (Confidence: Effective, Reliance: Critical) Working Alone Procedures & Equipment (Confidence: Effective, Reliance: Critical) Health & Safety Plan (Confidence: Effective, Reliance: Critical) Department Standard Operating Procedures (Confidence: Satisfactory, Reliance: Critical)
23	1	Water - bulk water supply insufficient to meet demand	Water supply is severely compromised or restricted due to drought, source failure or excessive demand	Near Certain	Exp $0.5m-$1m	Diversion >6mths	Major	Unlikely	Exp <$0.5m	Managed	Individual	Very High Risk	Medium Risk	Water supply capital development plan (Confidence: Effective, Reliance: Critical) Regional Water Strategy (Confidence: Satisfactory, Reliance: Significant) Modelling and forecasting tools (Confidence: Satisfactory, Reliance: Important) Multiple Sources of Supply (Confidence: Effective, Reliance: Critical)
24	11	Forests - Disease damage to forest	Spread of foreign organisms introduced that could lead to tree damage or total loss of trees	Unlikely	Exp >$15m	Diversion >12mths	Single	Highly Unlikely	Exp $5m-$10m	Diversion >2mths	Individual	High Risk	Low Risk	NZ Forestry Owners membership (Confidence: Satisfactory, Reliance: Significant) Regular patrols by staff (Confidence: Satisfactory, Reliance: Important) Part of national surveillance system with annual forest inspections (Confidence: Satisfactory, Reliance: Significant)
25	9	Parks- Fire	Public being careless with fires/cigarettes or deliberately lit fires	Likely	Exp <$0.5m	Managed	No Impact	Unlikely	Exp <$0.5m	Managed	No Impact	Medium Risk	Low Risk	Memo with the Department of Conservation - assistance and working together to monitor, plan, educate, and work with NZ Fire Service (Confidence: Effective, Reliance: Critical) Annual Fire Protection Plan (Confidence: Effective, Reliance: Critical)
26	64	The cost of contracted rail services significantly exceeds the budget due to lower than forecast patronage	Rail patronage could fall below forecast levels due to track closures necessary to enable upgrade work to occur, with a consequential loss of fare revenue	Likely	Exp $1m-$5m	Minor	Individual	Unlikely	Exp $1m-$5m	Minor	Individual	Medium Risk	Low Risk	Make robust but conservative patronage estimate for budget purposes (Confidence: Effective, Reliance: Significant) Promote and market rail services when appropriate (Confidence: Satisfactory, Reliance: Important) Maintain a strong relationship with KiwiRail (Confidence: Satisfactory, Reliance: Significant) Monitor actual and planned track closures (Confidence: Satisfactory, Reliance: Important) Maintain and use a reserve fund to mitigate fluctuations over time (Confidence: Effective, Reliance: Significant)
27	3	Water - failure of water supply infrastructure	Failure of water supply infrastructure due to natural hazards (e.g. seismic event, tsunami, weather related damage) or manmade hazards (vandalism, terrorist actions, civil unrest)	Rare	Exp >$15m	Diversion >12mths	Major	Rare	Exp $1m-$5m	Diversion >6mths	Moderate	High Risk	Medium Risk	Insurance is in place (Confidence: Effective, Reliance: Significant) Self insurance fund (Confidence: Effective, Reliance: Significant) Water supply capital expenditure plan (Confidence: Satisfactory, Reliance: Significant) Water supply operating procedures (Confidence: Effective, Reliance: Significant) Water supply incident management plan (Confidence: Satisfactory, Reliance: Significant) Multiple Sources of Supply (Confidence: Effective, Reliance: Critical)
28	13	Forests - Fire danger from the public, motorised vehicles and machinery	Damage to forest through fire due to wilful or negligent action of the public, vehicles or machinery malfunction	Unlikely	Exp $1m-$5m	Diversion >6mths	Individual	Highly Unlikely	Exp $1m-$5m	Diversion >2mths	Individual	Medium Risk	Low Risk	Rangers Patrolling Parks & Forests (Confidence: Satisfactory, Reliance: Important) Plantation Forests Working Plan (Confidence: Satisfactory, Reliance: Important) Harvesting and Marketing Contract (Confidence: Effective, Reliance: Critical) Annual Fire Protection Plan (Confidence: Effective, Reliance: Critical) Insurance in place for firefighting costs, reestablishment and loss (Confidence: Effective, Reliance: Critical)
29	5	Parks- OSH issues with public and staff	Public not alerted and staff not prepared and trained, or equipped/kitted to cope with natural hazards of the outdoors.	Likely	Exp $0.5m-$1m	Managed	Individual	Unlikely	Exp $0.5m-$1m	Minor	Individual	Medium Risk	Low Risk	Health & Safety Plan (Confidence: Effective, Reliance: Critical) Parks Health & Safety Guidelines (Confidence: Effective, Reliance: Critical)
30	42	Oil spill in the Harbour	Pollution of the harbour	Likely	Exp <$0.5m	Minor	Individual	Unlikely	Exp <$0.5m	Minor	Individual	Medium Risk	Low Risk	Oil spill equipment is on hand at the harbour (Confidence: Satisfactory, Reliance: Important) Safety management system has procedures & checklists for refuelling operations (Confidence: Effective, Reliance: Critical)
31	34	Water - Failure to comply with water take consents	Water abstraction exceeds the restrictions and limitations of resource consents	Near Certain	Exp <$0.5m	Minor	Major	Unlikely	Exp <$0.5m	Minor	Individual	Very High Risk	Low Risk	ISO 14001 system managed through Q-Pulse (Confidence: Effective, Reliance: Critical) Water supply operating procedures managed through Q-Pulse (Confidence: Effective, Reliance: Critical)
32	8	Parks- Injury to staff	Injury from use of equipment that could cause harm if not used correctly (eg. 4WD Vehicles, quadbikes, Chainsaws etc), or accident in the bush due to natural hazards and remoteness with inability to seek help promptly when working alone	Near Certain	Exp <$0.5m	Managed	Single	Unlikely	Exp <$0.5m	Minor	Individual	High Risk	Low Risk	Department Hazard Registers (Confidence: Effective, Reliance: Critical) Working Alone Procedures & Equipment (Confidence: Effective, Reliance: Critical) Parks Health and Safety Guidelines (Confidence: Effective, Reliance: Critical)
33	30	Failure to provide adequate early warning of flood	EMI monitor water levels around the region & provide data & warnings about potential floods to farmers and the community	Unlikely	Exp <$0.5m	Managed	Major	Highly Unlikely	Exp <$0.5m	Managed	Individual	Medium Risk	Low Risk	Asset Management Plan - Environment Group (Confidence: Effective, Reliance: Critical) Flood monitoring equipment is in place at key sites around the Region & is monitored daily (Confidence: Effective, Reliance: Critical) Flood procedure manual has been produced and is in place. (Confidence: Effective, Reliance: Important) Flood monitoring equipment is inspected at site on a regular 6 weekly cycle. (Confidence: Effective, Reliance: Critical) Communications plans to provide flood warnings are in place both in Wellington and Wairarapa. (Confidence: Effective, Reliance: Critical) There is always someone on duty who is responsible for responding when the monitoring equipment indicates rising water levels. (Confidence: Effective, Reliance: Critical) Asset management plan (Confidence: Effective, Reliance: Critical)
34	2	Water supply fails to meet NZ drinking water standards resulting in public health issues	Water quality consistently below NZ drinking water standards due to contamination of catchment, treatment failure, or contamination in distribution network.	Likely	Exp $1m-$5m	Diversion >2mths	Major	Highly Unlikely	Exp $0.5m-$1m	Managed	Individual	High Risk	Low Risk	NZ Drinking Water Standards 2008 (Confidence: Effective, Reliance: Critical) Water supply operating procedures (Confidence: Effective, Reliance: Critical) ISO 9001 Accreditation (Confidence: Effective, Reliance: Significant) Management and ownership of water catchments (Confidence: Effective, Reliance: Significant)
35	4	Parks - Inadequate infrastructure	Buildings & infrastructure in poor state of repair, or not up to standard due to funding constraints or lack of maintenance, potentially leading to OSH issues, danger and loss of public confidence	Unlikely	Exp $1m-$5m	Diversion >2mths	Moderate	Highly Unlikely	Exp $0.5m-$1m	Managed	Individual	Medium Risk	Low Risk	Insurance is in place (Confidence: Effective, Reliance: Critical) Parks annual operating plan (Confidence: Effective, Reliance: Critical) Parks asset management plan (Confidence: Effective, Reliance: Critical) Parks capital expenditure plan (Confidence: Satisfactory, Reliance: Critical)
36	31	Navigation accident in the Harbour	Two ships crash in to one another or a ship grounds in the harbour. Beacon Hill is unable to give appropriate information to avoid a harbour incident with current technology & set up	Highly Unlikely	Exp >$15m	Diversion >2mths	Extreme	Rare	Exp <$0.5m	Minor	Individual	High Risk	Low Risk	Insurance is in place (Confidence: Effective, Reliance: Critical) Statutory Compliance (Confidence: Effective, Reliance: Critical) Asset Management Plan - Environment Group (Confidence: Effective, Reliance: Critical) Ships are required to call the Beacon Hill Communications centre 10 minutes prior to departure to check that the way is clear (Confidence: Satisfactory, Reliance: Critical) Harbour rangers educate the general boating public about boating safety (Confidence: Satisfactory, Reliance: Routine) Harbour safety management system is in place and will be audited by Maritime NZ this year. (Confidence: Effective, Reliance: Critical) New Beacon Hill Communications Centre will be operational this year with upgraded communications equipment. (Confidence: Effective, Reliance: Critical)