

Report 16.342
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Committee Finance, Risk and Assurance Committee
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Summary Risk Report

1. Purpose

To update the Committee on changes to the risk register and to provide a presentation to the Committee on Wellington Water's risk management as part of the on-going reporting by each group within GWRC.

2. Background

Each quarter, the risks at group level are considered and reported to the Chief Executive.

This process involves adding new risks, archiving old risks if they are no longer relevant, reviewing the controls (risk mitigation/modifying management strategies) and checking that the scoring of the risk reflects its current state.

Each group's risks are reviewed by the Chief Executive, in conjunction with the General Managers and the General Manager Corporate Services/CFO, at the quarterly review meetings.

3. Comment on risks changes during the quarter

Three were removed from the register and three new risks were added to the register during the June quarter. The risks added were:

- Biosecurity incursions exceeding GWRC's response capability;
- Park maintenance equipment causing vegetation to catch fire; and
- Business disruption due to a cyber-attack.

Details are contained in **Attachment 1**.

4. Wellington Water presentation

Wellington Water will attend the meeting and provide insight into the topical and emerging risks for them.

A Work programme risk profile and presentation by Wellington Water is appended as **Attachments 1 and 2**.

A brief description of the Council's risk report columns and what they mean is as follows:

Overall ranking: by residual risk score: Residual risk is the risk that remains after controls have been applied and is discussed further below. A lower number means it has a higher residual risk relative to others. Thus the first listed risk is presently the 21st highest/most important risk to the organisation.

Risk ID: This is a unique system number assigned to a risk.

Description: Brief description of the risk.

Inherent Risk level: The risk is assessed/scored and placed into a classification category (Very High, High, Medium, or Low) before any controls are in place or put it another way, without them working.

Controls: These are processes which mitigate/modify a risk. They reduce the likelihood of occurrence of a risk or reduce the consequences when it occurs or both.

Residual Risk level: This is the risk classification category after the controls have been put in place and are working as expected.

Risk Owner/Business Unit: The person/group responsible for the risk. There is also a person assigned to each control which is not normally the risk owner.

Comment/Details: This provides a discussion around the risk.

5. The decision-making process and significance

No decision is being sought in this report.

6. Engagement

Engagement on this matter is unnecessary.

7. Recommendations

That the Committee:

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

Report prepared by:

Report approved by:

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Treasurer

Dave Humm
GM Corporate Services/CFO

Attachment 1: Changes to risks the register in June Quarter 2016

Attachment 2: Wellington Water – Work Programme risk profile

Attachment 3: Wellington Water – Presentation to FR&A