



Confirmed minutes of the Finance, Risk and Assurance Committee meeting held in the Jerningham room, Copthorne Hotel, 100 Oriental Parade, Wellington on Thursday, 26 October 2017 at 10:00am

Present

Councillors Swain (Chair), Blakeley, Donaldson, Laidlaw, Lamason, and McKinnon.

Kim Skelton.

Public Business

1 Apologies

Moved

(Cr Swain/ Cr McKinnon)

That the Committee accepts the apology for absence from Councillor Ogden.

The motion was **CARRIED**.

2 Conflict of Interest declarations

There were no declarations of conflict of interest.

3 Public Participation

There was no public participation.

4 Confirmation of the minutes of 21 September 2017

Moved

(Cr Donaldson/ Cr Blakeley)

That the Committee confirms the public minutes of the meeting of 21 September 2017, Report 17.354 and the public excluded minutes of the meeting of 21 September 2017, Report PE17.355.

The motion was **CARRIED**.

5 Annual Report for the year ended 30 June 2017

Councillor Swain thanked officers and Audit New Zealand for their efforts under challenging circumstances in completing the Annual Report 2016/17.

Dave Humm, General Manager Corporate Services/Chief Financial Officer, spoke to the report.

Jacques Coetzee, Associate Audit Director, Audit New Zealand, commended the remarkable team effort to produce the Annual Report and thanked the Council for their support in the difficult circumstances.

Jacques Coetzee assured the Committee that adequate disclosure has been made with appropriate emphasis in respect of the estimates and judgements made in relation to the November 2016 earthquake.

Report 17.416

File: CCAB-22-270

Moved

(Cr Donaldson/ Ms Skelton)

That the Committee:

- 1. Receives the report.*
- 2. Notes its contents.*
- 3. Recommends that Council approves the following net amounts, in addition to those budgeted, being added to (or deducted) from the respective reserves, subject to any changes requested by the Committee:*

Reserve

Balance

Public Transport Rate Reserve	3,938,899	B1
Sustainable Transport Department Reserve	(66,422)	B2
Transport Planning Reserve	(176,680)	A1
Transport Data & Analysis Reserve	(364,759)	B3
Possum Predator Rate Reserve	13,268	B4
Wai Rating Schemes-Catchment Awhea	(13,083)	A2
Wai Rating Schemes-Catchment Whareama	(2,976)	A3
Wai Rating Schemes-Catchment Homewood	(5,870)	A4
Wai Rating Schemes-Catchment Mataikona	2,184	A5
Wai Rating Schemes-Catchment Maungaraki	(1,015)	A6
Wai Rating Schemes-Catchment Kaiwhata	465	A7
Wai Rating Schemes-Drainage	132,257	A8
Wai Shingle Royalty	(3,890)	B5
Wai Rating Schemes-River LWVD-Opex	(30,686)	A9
Wai Rating Schemes-River Waiohine-Opex	(12,530)	A10
Wai Rating Schemes - Gladstone	583	B6
Wai Rating Schemes-River Waipoua	(12,914)	A11
Wai Rating Schemes-River Waingawa	2,989	A12
Wai Rating Schemes-River Lower Taueru	429	B7
Wai Rating Schemes-River Lower Whangaeahu	(422)	B8
Wai Rating Schemes- Te Ore Ore	(3,841)	A13
Wai Rating Schemes - Mt Bruce	5,488	B9
Wai Rating Schemes - Kopuaranga	(2,122)	A14
Wairarapa Workshop	(8,598)	B10
WREMO Reserve (TA contributions)	(54,077)	B11
Iwi Projects Reserve	204,060	A15
Forestry Infrastructure Reserve	17,695	A16
Regional Parks Reserve	490,000	A17
Harbours Vehicle Replacement	(21,000)	B12
Science equipment upgrade	(100,000)	B13
Bioworks	223,519	A18
River Rate Reserve-Hutt City	130,230	A19
River Rate Reserve-Kapiti Coast	(271,290)	B14
River Rate Reserve-Porirua City	(550)	B15
River Rate Reserve-Upper Hutt City	(27,967)	A20
River Rate Reserve-Wellington City	(489)	B16
IT Operations Capex Reserve	905,070	A21
Wgtn Regional Strategy - Office Wakefield street Grow Wellington	269,615	A22
WRS Reserve - Grow Wellington	(167,000)	B17
Rebudget 15/16:Belmont Capex NZTA funding	163,576	B18
Rebudget 17/18:Battle Hill - Ranger maintenance	30,000	A23
Rebudget 17/18:Tier 2 monitoring	96,000	A24
Rebudget 17/18:River Water Quality & Ecology	30,000	A25
Rebudget 17/18:Catchment monit - Ruamahanga	35,500	A26
Rebudget 17/18:Regional Hazard Management Strategy	34,000	A27
Rebudget 17/18:GW EMO cc	35,000	A28
Rebudget 17/18:Science Research Strategy	89,000	A29
Rebudget 17/18:PH Biodiversity Management	40,000	A30
Rebudget 17/18:LM - Riparian Management WBS	600,000	A31
Rebudget 17/18:Bio Plants Admin	50,000	A32
Rebudget 17/18:Parks Policy wbs	60,000	A33
Rebudget 17/18:RLTP	50,000	A34
Rebudget 17/18:Programme Business Cases	150,000	A35
Rebudget 17/18:Te Marua BAC Filter	76,529	A36
Rebudget 17/18:Belmont - Asset Mngt. - Capex	7,576	A37
Rebudget 17/18:Belmont - Asset Mngt. - Capex 2	5,404	A38
Rebudget 17/18:QEP - Asset Mngt. - Capex	54,225	A39
Rebudget 17/18:EH Tracks remetalling	3,282	A40
Rebudget 17/18:Pencarrow upgrade (dredging dependant)	8,425	A41
Rebudget 17/18:Harbours diving platform	5,462	A42
Rebudget 17/18:Hinds point light	1,706	A43
Rebudget 17/18:Collaborative Modelling Project (capex)	28,274	A44
Rebudget 17/18:Resource consent project	23,730	A45
Rebudget 17/18:Lower Waitohu Improvements	7,582	A46
Rebudget 17/18:LWVD River Scheme Capex	25,442	A47
Rebudget 17/18:Te Kauru capex wbs	21,061	A48
Rebudget 17/18:Pinehaven Stream Improvements	10,531	A49
Rebudget 17/18:Hutt Environmental strategy implementation	2,106	A50
Rebudget 17/18:City Centre Upgrade	189,552	A51
Rebudget 17/18:Transport Model CAPEX.	15,979	A52
Rebudget 17/18:IT Capex - SAP (Hardware & Software)	291,329	A53
Rebudget 17/18:CAPEX - Office20xx	1,023	A54
Rebudget 17/18:IT Capex - GIS (aerial photography)	32,520	A55
Rebudget 17/18:IT Capex - CRM	12,694	A56
Rebudget 17/18:IT Capex - SaaS implementations	6,347	A57
Rebudget 17/18:CAPEX - Performance Indicator Reporting Layer	6,347	A58
Rebudget 17/18:Belmont - Asset Mngt. - Capex Stoney Mills	12,440	A59
Rebudget 17/18:Depot Shunt Crab - LTP	2,639	A60
Rebudget 17/18:Matangi - Heavy Maint/Overhaults	106,478	A61
Rebudget 17/18:SW & SE Cars - Heavy Maint/Overhaults	77,643	A62
Rebudget 17/18:M1 Retrofit - Contingency	91,494	A63
Rebudget 17/18:Matangi 2 Driver Simulator	42,123	A64
Rebudget 17/18:Matangi 2 Contingency.	15,887	A65
Rebudget 17/18:Park and Ride Development	12,856	A66
Rebudget 17/18:Capex Interim Bus Ticketing Solution	32,613	A67

4. *Recommends that Council adopts the Annual Report and Summary Annual Report for the year ended 30 June 2017, subject to receiving final audit clearance and any changes requested by the Committee.*
5. *Recommends that Council authorises the Council Chair and Chief Executive Officer to make minor changes that may arise as part of finalising the audited Annual and Summary Annual Reports for the year ended 30 June 2017.*

The motion was **CARRIED**.

The Committee agreed to accord priority to agenda item 10 - Risk report.

6 **Bulk Water risk presentation**

Oral presentation

Colin Crampton, Chief Executive, and Erin Ganley, Manager, Risk and Assurance, Wellington Water, gave a presentation to the Committee in relation to bulk water risk.

The Committee discussed water storage in response to increased growth, focusing on demand, and regional resilience.

7 **Summary of Financial Statements for the three months to 30 September 2017**

Mark Ford, Manager Strategic Finance, spoke to the report.

Report 17.415

File: CCAB-22-269

Moved

(Cr Laidlaw/ Cr Blakeley)

That the Committee:

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

The motion was **CARRIED**.

8 **Long term economic projections**

Oral presentation

Dave Grimmond, Economist, gave a presentation to the Committee regarding the Wellington Region's long term economic projections and trends. Dave Grimmond advised the Committee that the projections are scenario-based, established from population statistics.

Noted: The Committee requested that officers periodically report back with updates.

9 **Approach to managing fraud risk**

Mike Timmer, Treasurer, spoke to the report.

Report 17.421

File: CCAB-22-272

Moved

(Cr Lamason/ Cr Laidlaw)

That the Committee:

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

The motion was **CARRIED**.

Noted: The Committee requested for officers to report back when the Fraud Policy has been updated.

10 **Health and safety update**

Lucy Matheson, General Manager, People and Customer, spoke to the report, and introduced Leeanne Walters from Wilson Consulting Group to the Committee. Wilson Consulting is currently undertaking a review of health and safety at GWRC.

Mike Ward, Acting Health and Safety Manager, introduced Wayne Cowan, Senior Biosecurity Officer (Plants), to the Committee. Wayne Cowan gave a presentation in relation to how GWRC works closely with contractors to manage risk.

Report 17.409

File: CCAB-22-266

Moved

(Cr Donaldson/ Cr Lamason)

That the Committee:

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

The motion was **CARRIED**.

The meeting closed at 12:16pm.

P Swain
(Chair)

Date: