

Attachment 2 – Top ten risks – Ranked by residual score

QUARTERLY RISK REPORT 31 MARCH 2012 - TOP TEN RISKS

Overall ranking by residual score	Risk ID	Description	Risk Owner	Inherent Classification	Residual Classification	Controls	Status change since last quarterly review
1	74	Source water from rivers and/or aquifer reduced by external and unexpected effects such as climate change or SYM modelling development, resulting in breach of security of supply standard and the need to urgently bring forward new source development	Alastair McCarthy	High Risk	High Risk	2012/22 LTP Capital development plan	New risk added
2	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	-
3	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 ensures that KiwiRail has a robust 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 ensures 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 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"> • Worked with Kiwirail to develop a new 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. • Funded the ongoing maintenance work performed by Kiwirail, reviewed report prepared by Kiwirail on the operational performance of the network and discussed these with Kiwirail. • Worked with Kiwirail on their 2012/13 renewals plan. • Considered the network performance in the executive steering group meeting with Kiwirail. <p>No change in status</p>

QUARTERLY RISK REPORT 31 MARCH 2012 - TOP TEN RISKS - Continued

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4	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 ensures that KiwiRail maintain high standards of rolling stock maintenance.</p> <p>GW ensures that KiwiRail have an emergency response plan that:</p> <ul style="list-style-type: none"> • Focuses funded renewal activities on critical components of the network • 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. • Funded the ongoing rolling stock maintenance work performed by Kiwirail. Reports prepared by Kiwirail on maintenance of the fleet have been reviewed and discussed with Kiwirail. • Strengthened our rolling stock engineering team - recognising the importance of building a strong relationship with the maintainer. • Continued work required to progress the Ganz Mavag refurbishment or replacement. • Continued to actively manage the programme for the introduction of the new Matangi trains. • Considered rolling stock performance in the executive steering group meeting with Kiwirail. • Retired most English Electrics. <p>No change in status</p>
5	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>	-
6	36	Council making decisions without complying with the decision-making requirements of the LGA 2002 (or other legislation).	Francis Ryan	High Risk	Medium Risk	<p>Internal review (Manager, Democratic Services)</p> <p>Training of Users (Manager, Democratic Services)</p> <p>Decision making Process & Guidelines</p>	-

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7	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 Department Standard Operating Procedures	Audits and updating of safe operating procedures are ongoing, eg vehicle safety, chemical storage, equipment use
8	72	Harm to staff while carrying out Mangaroa/Kaitoke 1080 pest control operations	Davor Bejakovich	Medium Risk	Medium Risk	Department Safe Operating Procedures Approved Vector Management Operational Plan	Front line staff have completed training for dealing with aggressive customers (Thriving Under Fire)
9	55	Loss of the provision of IT service delivery	Fran Hyland	Medium Risk	Medium Risk	Relationship with suppliers and peers, relying on them to provide solution or temporary fix while new item purchased.	-
10	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	New risk added