



**Confirmed public minutes of the Finance, Risk and Assurance Committee meeting held in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington, on Tuesday, 19 March 2019 at 9:30am**

**Present**

Councillors Swain (Chair), Blakeley, Donaldson, Laidlaw (from 11:10am), Lamason, McKinnon, and Ogden (from 09:35 until 12.14pm)

Kim Skelton.

**Also present**

Councillors Brash and Kedgley.

**Public Business**

A minute of silence was observed as a mark of respect for those killed in, and impacted by, the act of terrorism in Christchurch on Friday, 15 March 2019.

**1 Apologies**

*Moved*

*(Cr Donaldson/ Cr Lamason)*

*That the Committee accepts the apology for lateness from Councillor Laidlaw.*

The motion was **CARRIED**.

**2 Conflict of Interest declarations**

Kim Skelton advised the Committee that in relation to Agenda Item 6 she had attended a Wellington Water meeting on 28 February on behalf of mana whenua and she supports the proposal for mana whenua involvement in these matters.

**3 Public Participation**

There was no public participation.

4 **Confirmation of the minutes of 24 October 2018**

*Moved*

*(Cr Lamason/ Cr Blakeley)*

*That the Committee confirms the minutes of 24 October 2018, Report 18.496.*

The motion was **CARRIED**.

5 **Action items from previous Finance, Risk and Assurance Committee meetings**

**Report 18.540**

File: CCAB-22-462

*Moved*

*(Cr Donaldson/ Cr Lamason)*

*That the Committee:*

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

The motion was **CARRIED**.

**Noted:** Councillor Ogden arrived at the meeting during the consideration of the above item. Cr Ogden requested that his objection to an action item being discussed at a Council workshop rather than a Council meeting be recorded; the action item he was referring to is “The Committee requested that a report on the feasibility of a rates postponement policy for over 65’s be prepared for a future meeting.”

6 **Wellington Water Proposed Governance Changes**

**Report 19.96**

File: LEGL-5-429

*Moved*

*(Cr Swain/ Cr McKinnon)*

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Notes the contents of the letter of review from Simpson Grierson dated 12 March 2019 attached as Attachment 1 to the report.*
4. *Notes that the letter of review from Simpson Grierson dated 12 March 2019 will be provided to Council in support of a recommendation to adopt the proposed changes to the Governance Documents, at the next appropriate meeting.*

*Moved as an amendment*

*(Cr Donaldson/ Cr Blakeley)*

*That a new recommendation 5 be inserted:*

5. *Notes that the Committee's understanding of 3b in the report means that Te Ao Māori knowledge and skills are included in the Board Skills Matrix.*

The amendment **CARRIED**.

The substantive motion was put:

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Notes the contents of the letter of review from Simpson Grierson dated 12 March 2019 attached as Attachment 1 to the report.*
4. *Notes that the letter of review from Simpson Grierson dated 12 March 2019 will be provided to Council in support of a recommendation to adopt the proposed changes to the Governance Documents, at the next appropriate meeting.*
5. *Notes that the Committee's understanding of 3b in the report means that Te Ao Māori knowledge and skills are included in the Board Skills Matrix.*

The substantive motion was **CARRIED**.

## 7 **Harbour risks mitigation, current and future**

Grant Nalder, Manager Harbours (Harbourmaster) spoke to the report.

### **Report 19.83**

File: CCAB-22-480

*Moved*

*(Cr Lamason/ Cr Ogden)*

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Supports the on-going work to improve risk controls and mitigate risks in relation to navigation on the harbour and regional waters.*

Moved as an amendment (as an additional motion)

*Moved*

*(Cr McKinnon/ Cr Swain)*

4. *Requests a further report giving progress on*
  - a) *Increased training and technical expertise at Beacon Hill*
  - b) *Addressing the issue of complacency noting the benefits of a "Whole of Harbour Discussion Group"*
  - c) *CPL's response to providing a true twenty-four hour service*

- d) *Establishing radar coverage for the main wharves and Lambton Harbour, with appropriate thermal imaging capability.*

The amendment was **CARRIED**.

Moved as an amendment (as an additional motion)

Moved

(Cr Blakeley/ Cr Donaldson)

5. *Notes that there are limited resources to cope if a vessel was to experience mechanical fault or break down outside of Wellington Harbour*
6. *Notes that a tug boat for Wellington with out of harbour capability would mitigate the risks identified in this report.*
7. *Requests officers to report back to future FRAC and Environment Committee meetings on the options for ensuring Wellington has a tug boat with out of harbour capabilities.*
8. *That these recommendations be communicated to CentrePort Limited.*

The amendment was **CARRIED**.

The substantive motion was put:

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Supports the on-going work to improve risk controls and mitigate risks in relation to navigation on the harbour and regional waters.*
4. *Requests a further report giving progress on*
  - a. *Increased training and technical expertise at Beacon Hill*
  - b. *Addressing the issue of complacency noting the benefits of a “Whole of Harbour Discussion Group”*
  - c. *CPL’s response to providing a true twenty-four hour service*
  - d. *Establishing radar coverage for the main wharves and Lambton Harbour, with appropriate thermal imaging capability.*
5. *Notes that there are limited resources to cope if a vessel was to experience mechanical fault or break down outside of Wellington Harbour*
6. *Notes that a tug boat for Wellington with out of harbour capability would mitigate the risks identified in this report.*

7. *Requests officers to report back to future FRAC and Environment Committee meetings on the options for ensuring Wellington has a tug boat with out of harbour capabilities.*
8. *That these recommendations be communicated to CentrePort Limited.*

The substantive motion was **CARRIED**.

## 8 **Health, Safety and Wellbeing update**

Nigel Corry, Deputy Chief Executive, and Rachael Meikle, Health and Safety Advisor spoke to the report.

### **Report 19.94**

File: CCAB-22-481

*Moved*

*(Cr Blakeley/ Cr Lamason)*

*That the Committee:*

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

The motion was **CARRIED**.

The meeting adjourned at 10:55am and resumed at 11:10am.

Cr Laidlaw joined the meeting when the meeting resumed.

## 9 **Summary of financial statements until 31 January 2019**

### **Report 19.91**

File: CCAB-22-473

*Moved*

*(Cr Blakeley/ Cr Lamason)*

*That the Committee:*

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

The motion was **CARRIED**.

## 10 **Audit management report for the year ended 30 June 2018**

Nigel Corry, General Manager, People and Customer and Rachael Meikle, Health and Safety Advisor, spoke to the report.

### **Report 19.89**

File: CCAB-22-478

*Moved*

*(Cr Blakeley/ Cr Lamason)*

*That the Committee:*

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

The motion was **CARRIED**.

## 11 **Summary risk report**

Mike Timmer, Treasurer, spoke to the report. Amanda Cox, Manager Parks and Wayne Boness, Principal Ranger Western, presented to the Committee about fire risk in parks.

**Report 19.77**

File: CCAB-22-467

*Moved*

*(Cr Swain/ Cr McKinnon)*

*That the Committee:*

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

The motion was **CARRIED**.

## 12 **Business assurance update**

**Report 19.80**

File: CCAB-22-472

*Moved*

*(Cr Blakeley/ Cr Laidlaw)*

*That the Committee:*

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

*Moved as an amendment*

*(Cr Donaldson/ Cr Lamason)*

3. *That the current Business Assurance arrangements be reviewed in twelve months' time.*

The amendment was **CARRIED**.

The substantive motion was put:

*That the Committee:*

1. *Receives the report.*

2. *Notes the content of the report.*
3. *That the current Business Assurance arrangements be reviewed in twelve months' time.*

The substantive motion was **CARRIED**.

Cr Ogden left the meeting at 12:14pm during consideration of this item.

**13 Optimus Programme update**

Samantha Gain, General Manager Corporate Services, spoke to the report.

**Report 19.87**

File: CCAB-22-477

*Moved*

*(Cr Lamason/ Cr Blakeley)*

*That the Committee:*

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

The motion was **CARRIED**.

**14 Exclusion of the public**

**Report 19.99**

File: CCAB-22-487

*Moved*

*(Cr Lamason/ Cr Blakeley)*

*That the Committee excludes the public from the following part of the proceedings of this meeting namely:*

1. *Confirmation of the Public Excluded minutes of 24 October 2018*
2. *Insurance - Below Ground Bulk Water Supply Assets*
3. *Insurance Renewal 2018/20 and property loss exposure*

*The general subject of each matter to be considered while the public is excluded, the reasons for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 (the Act) for the passing of this resolution are as follows:*

<b><i>General subject of each matter to be considered:</i></b>	<b><i>Reason for passing this resolution in relation to each matter</i></b>	<b><i>Ground under section 48(1) for the passing of this resolution</i></b>
1. <i>Confirmation of the Public Excluded minutes of 24 October 2018</i>	<i>The minutes contain information provided by insurance providers relating to pricing for the renewal of GWRC's insurance. Release of this</i>	<i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information</i>

*information would likely prejudice the insurers' commercial position as it would reveal their pricing. GWRC has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override this prejudice to the insurers' commercial position.*

*for which good reason for withholding would exist under section 7(2)(b)(ii) of the Local Government Official Information and Meetings Act 1987 (the Act) (i.e. to protect information where the making available of that information would be likely unreasonably to prejudice the commercial position of the person who supplied or is the subject of the information).*

2. *Insurance - Below Ground Bulk Water Supply Assets*

*The report contains information provided by insurance providers relating to pricing for the renewal of GWRC's insurance. Release of this information would likely prejudice the insurers' commercial position as it would reveal their pricing. GWRC has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override this prejudice to the insurers' commercial position.*

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7(2)(b)(ii) of the Act (i.e. to protect information where the making available of that information would be likely unreasonably to prejudice the commercial position of the person who supplied or is the subject of the information).*

3. *Insurance Renewal 2018/20 and property loss exposure*

*The report contains information provided by insurance providers relating to pricing for the renewal of GWRC's insurance. Release of this information would likely prejudice the insurers' commercial position as it would reveal their pricing. GWRC has not been able to identify a public interest favouring disclosure of this particular information*

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7(2)(b)(ii) of the Act (i.e. to protect information where the making available of that information would be likely unreasonably to*



*in public proceedings of prejudice the commercial  
the meeting that would position of the person who  
override this prejudice to supplied or is the subject  
the insurers' commercial of the information).  
position.*

*This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as specified above.*

The motion was **CARRIED**.

The public part of the meeting closed at 12:32pm.

P Swain  
(Chair)

Date:



The matters referred to in these minutes were considered by the Finance, Risk and Assurance Committee at its meeting on 19 March 2019 in public excluded business. These minutes do not require confidentiality and may be considered in the public part of the meeting.

**Report PE19.101**

24/10/2018

File: CCAB-22-492

**Confirmed public excluded minutes of the Finance, Risk and Assurance Committee meeting held in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington, on Tuesday, 19 March 2019 at 12:32pm**

**Present**

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

Kim Skelton.

**Also present**

Councillors Brash and Kedgley.

**Public Excluded Business**

**1 Confirmation of the Public Excluded minutes of 24 October 2018**

*Moved*

*(Cr Swain/ Cr Blakeley)*

*That the Committee confirms the Public Excluded minutes of 24 October 2018, Report PE18.497.*

The motion was **CARRIED**.

**2 Insurance - Below Ground Bulk Water Supply Assets**

Mike Timmer, Treasurer, spoke to the report.

**Report PE19.78**

File: CCAB-22-468

*Moved*

*(Cr Donaldson/ Cr Lamason)*

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Recommends to Council that the Council purchase insurance to cover the gap between the Government's expected 60% support and the current contingency funds held for reinstatement of the underground bulk water supply network following an earthquake or other natural disaster.*
4. *Recommends to Council that the amount of insurance purchased to cover the gap between the Government's expected 60% support and the underground contingency fund is \$16million.*
5. *Notes that in respect of flood protection related underground assets, the Council holds contingency funds and reserves of \$17 million against an expected Loss Estimate of \$96 million.*
6. *Recommends to Council that any short fall from a catastrophic flood event in respect of flood protection related underground assets is covered via contingency funds and reserves, and additional borrowing drawn at the time, and supplemented via expected support of up to 60% from Government.*

The motion was **CARRIED**.

3 **Insurance Renewal 2018/20 and property loss exposure**

Mike Timmer, Treasurer, spoke to the report.

**Report PE19.79**

File: CCAB-22-469

*Moved*

*(Cr Donaldson/ Cr Lamason)*

*That the Committee:*

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

The motion was **CARRIED**.

The public excluded part of the meeting closed at 1:01pm.

P Swain  
(Chair)

Date: