



**Report 18.496**

24/10/2018

File: CCAB-22-459

**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 Wednesday, 24 October 2018 at 9:32am**

**Present**

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

Kim Skelton.

**Public Business**

**1 Apologies**

*Moved*

*(Cr Lamason/ Cr Donaldson)*

*That the Committee accepts the apology for absence from Councillor Blakeley.*

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 18 September 2018**

*Moved*

*(Cr McKinnon/ Cr Laidlaw)*

*That the Committee confirms the minutes of 18 September 2018, Report 18.415.*

The motion was **CARRIED**.

**Noted:** The Committee requested officers respond to the matters raised by Mr Mike Mellor during public participation at the Committee meeting on 18 September 2018.

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

**Report 18.425**

File: CCAB-22-390

*Moved*

*(Cr Swain/ Cr Lamason)*

*That the Committee:*

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

The motion was **CARRIED**.

**6 Annual Report for the year ended 30 June 2018**

Mark Ford, Manager, Strategic Finance, and Helen Guissane, Programme Lead, Corporate Planning and Reporting, spoke to the report.

Jacques Coetzee, Associate Audit Director, Audit New Zealand, recognised the effort of officers and noted the helpful approach in producing the Annual Report. Jacques Coetzee assured the Committee that adequate disclosure has been made in respect to the ongoing significance of the November 2016 earthquake, and confirmed that Audit New Zealand would be issuing an unmodified sign off of the Annual Report in the following week.

*Moved*

*(Cr Donaldson/ Cr Lamason)*

*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:*

<b>Reserve</b>	<b>Balance</b>	<b>Ref.</b>
Public Transport Rate Reserve	1,809,685	B1
Sustainable Transport Department Reserve	37,611	B2
Transport Planning Reserve	(40,271)	B3
Transport Data & Analysis Reserve	231,460	B4
Possum Predator Rate Reserve	28,746	B5
Wai Rating Schemes-Catchment Awhea	(3,001)	A1
Wai Rating Schemes-Catchment Whareama	(602)	A2
Wai Rating Schemes-Catchment Homewood	(4,909)	A3
Wai Rating Schemes-Catchment Mataikona	44	A4
Wai Rating Schemes-Catchment Maungaraki	883	A5
Wai Rating Schemes-Catchment Kaiwhata	(3,607)	A6
Wai Rating Schemes-Drainage	156,513	A7
Wai Shingle Royalty	67,945	A8
Wai Rating Schemes-River LWVD-Opex	60,848	A9
Wai Rating Schemes-River Waiohine-Opex	2,476	A10
Wai Rating Schemes - Gladstone	5,103	B6
Wai Rating Schemes-River Waipoua	29,777	A11
Wai Rating Schemes-River Waingawa	5,875	A12
Wai Rating Schemes-River Lower Taueru	416	B7
Wai Rating Schemes-River Lower Whangaehu	360	A13
Wai Rating Schemes- Te Ore Ore	6,835	A14
Wai Rating Schemes - Mt Bruce	17,780	A15
Wai Rating Schemes - Kopuaranga	1,371	A16
Wairarapa Workshop	7,172	A17
WREMO Reserve (TA contributions)	(9,544)	B8
Biodiversity Key Native Eco System Reserve	18,679	A18
Iwi Projects Reserve	114,000	A19
LTP Reserve (finance audit)	160,000	B9
Annual Plan & LTCCP Costs & Review (SCEG)	160,000	B10
Forestry Infrastructure Reserve	(140,690)	B11
Regional Parks Reserve	10,743	B12
Bioworks	(10,213)	B13
River Rate Reserve-Hutt City	(296,976)	A20
River Rate Reserve-Kapiti Coast	(82,471)	B14
River Rate Reserve-Porirua City	3,518	A21
River Rate Reserve-Upper Hutt City	33,504	A22
River Rate Reserve-Wellington City	4,928	A23
Election Reserve	(90,000)	A24
IT Operations Capex Reserve	(404,745)	A25
IT Operations Capex Reserve	1,343,800	B15
Wgtn Regional Strategy - Office Wakefield street Grow Wellington	325,062	A26
WRS Reserve - Grow Wellington	100,683	B16
2016 Earthquake Insurance Proceeds	562,000	A27
Rebudget 18/19:Parks Policy wbs	70,000	A28
Rebudget 18/19:LM - Riparian Management WBS	527,500	A29
Rebudget 18/19:Tier 2 monitoring	36,121	A30

Rebudget 18/19:Infra Studies/Investigation	19,600	A31
Rebudget 18/19:Trolley Bus - OH Decommissioning	141,705	A32
Rebudget 18/19:Fares and Ticketing Establishment Admin	87,399	A33
Rebudget 18/19:Fares and Ticketing Establishment Other	118,262	A34
Rebudget 18/19:Fares and Ticketing Establishment Admin (b)	178,366	A35
Rebudget 18/19:Masterton Building Strengthening - Capex	11,145	A36
Rebudget 18/19:PC's - Capex	67,437	A37
Rebudget 18/19:IT Capex - SAP (Hardware & Software)	157,400	A38
Rebudget 18/19:Transport Model CAPEX.	44,534	A39
Rebudget 18/19:Resource consent project	13,719	A40
Rebudget 18/19:Te Kauru FMP development	2,541	A41
Rebudget 18/19:Waiohine rive scheme capex	15,103	A42
Rebudget 18/19:Te Kauru capex wbs	18,879	A43
Rebudget 18/19:Pinehaven Stream Improvements	18,124	A44
Rebudget 18/19:Manor Park river and stopbank works	7,136	A45
Rebudget 18/19:Hutt Environmental strategy implementation	4,908	A46
Rebudget 18/19:LWVD River Scheme Capex	30,206	A47
Rebudget 18/19:Whaka Stream Project	6,796	A48
Rebudget 18/19:Ebdentown rocklining	13,404	A49
Rebudget 18/19:Harbours diving platform	5,487	A50
Rebudget 18/19:Akatarawa - Asset Mngt. - Capex	1,699	A51
Rebudget 18/19:Battle Hill - Asset Mngt. - Capex	4,246	A52
Rebudget 18/19:Belmont - Asset Mngt. - Capex	5,096	A53
Rebudget 18/19:QEP - Asset Mngt. - Capex (QEP LTP Heritage Precinct)	21,147	A54
Rebudget 18/19:EH Baring Head Bridges	24,923	A55
Rebudget 18/19:Asset Management Capex - Fences	4,544	A56
Rebudget 18/19:Chemical Tanks Replacement	9,404	A57
Rebudget 18/19:Capex - Bus Stop Facilities New	11,762	A58
Rebudget 18/19:Capex - Bus Stop Facilities Renewals	3,361	A59
Rebudget 18/19:Capex - Customer Information Systems.	5,611	A60
Rebudget 18/19:Matangi 2 Driver Simulator	28,462	A61
Rebudget 18/19:Park and Ride Development	34,534	A62
Rebudget 18/19:SW & SE Cars - Heavy Maint/Overhauls	24,780	A63
Rebudget 18/19:Matangi - Heavy Maint/Overhauls	261,709	A64
Rebudget 18/19:Rail Rolling Stock Minor Improvements	14,340	A65
Rebudget 18/19:Capex Interim Bus Ticketing Solution	25,666	A66

4. *Recommends that Council adopts the Annual Report and Summary Annual Report for the year ended 30 June 2018, subject to receiving final audit clearance and any changes requested by the Committee.*

5. *Acknowledges the considerable work done by officers to produce the report in a timely manner.*

The motion was **CARRIED**.

## 7 **Summary of financial statements to 30 September 2018**

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

**Report 18.475**

File: CCAB-22-407

*Moved*

*(Cr Laidlaw/ Cr Ogden)*

*That the Committee:*

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

The motion was **CARRIED**.

8 **Fossil Fuel Divestment**

**Report 18.430**

File: CCAB-22-391

*Moved*

*(Cr Laidlaw/ Cr Donaldson)*

*That the Committee:*

1. *Receives the report.*
2. *Endorses the content of the report.*
3. *Notes that Kiwibank and Local Government Funding Agency are not investing in fossil fuels, and other banks are continuing to transition away from fossil fuel investments.*
4. *Endorses that banks are written to annually, to show them we are monitoring them, and to seek from them what they have done to reduce their investment in fossil fuel industries since last year.*
5. *Requests officers report to Council on the outcomes of the report.*

The motion was **CARRIED**.

Ian McKinnon left the meeting during discussion of item 8, at 12:14pm.

9 **Summary risk report**

Colin Crampton, Chief Executive, Wellington Water, and Erin Ganley, Manager, Risk and Assurance, gave the Committee a presentation in relation to key risks, and opportunities focussing on outcomes and projects.

Erin Ganley updated the Committee on the long term sustainability of the Waiwhetu Aquifer as a source of water for the Region within the changing catchment environment, and advised the Committee that when considering the risk of a resilient water supply, it provides an opportunity to be brave in tackling water wastage while achieving growth targets.

Colin Crampton discussed the cross harbour pipeline and the risk of potential cost changes and programme slippage over time in consideration of the project of its scale. The Committee discussed the importance of being kept up to date with cost changes on a regular basis.

Mike Timmer, Treasurer, spoke to the report.

**Report 18.462**

File: CCAB-22-404

*Moved*

*(Cr Donaldson/ Cr Lamason)*

*That the Committee:*

1. *Receives the report.*

2. *Notes the content of the report.*
3. *Agrees to reinstate Risk ID 123 and requests officers to reassess the risk and the wording of the description of the risk to reflect the current situation.*

The motion was **CARRIED**.

**Noted:** The Committee requested officers report back with the governance and reporting structure between Wellington Water Limited and the Wellington Water Committee.

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

Lucy Matheson, General Manager, People and Customer, spoke to the report.

**Report 18.480**

File: CCAB-22-409

*Moved*

*(Cr Lamason/ Cr Donaldson)*

*That the Committee:*

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

The motion was **CARRIED**.

**Noted:** The Committee requested officers present GWRC's wellness approach at the next Committee meeting.

## 11 **Exclusion of the public**

**Report 18.481**

File: CCAB-22-439

*Moved*

*(Cr Lamason/ Cr Laidlaw)*

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

*Council Lending to WRC Holdings Limited*

*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>
<i>Council Lending to WRC Holdings Limited</i>	<i>The information contained in this report relates to Greater Wellington Regional Council's (GWRC) banking facilities and pricing. Having 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 for which</i>

*part of the meeting open to the public would disadvantage the banking providers' commercial position. 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.* *good reason for withholding would exist under section 7(2)(b)(ii) of the Local Government Official Information and Meetings Act 1987 (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).*

*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 12:47pm.

P Swain  
(Chair)

Date: