Report	**17.121**
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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 over the March quarter. To provide a presentation to the Committee on Public Transport/ 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 risk changes during the quarter

There were two risks removed from the register and four new risks were added to the register during the March quarter.

　The risks archived were:

1) Failure of the telephony system

　　This risk has been archived as it has been superseded by the added risk of Contact Centre Systems failure (see below).

2) Disruption due to local government reorganisation

　　Discussion around local government reorganisation has moved from the forefront of the minds of many of our people for the time being.

This risk has been archived and if conversation around it increases it can be reconstituted as a live risk.

The risks added were:

1) RiverLink property cost increase

   Property prices continue to rise due to strong demand – the current budget is insufficient to purchase all 117 properties within planned timeframe.

2) Contact Centre Systems failure.

   There are a number of different systems which support the contact centre and any failures could severely impact our communication with customers and stakeholders.

3) Inability to attract and retain staff due to our current building accommodation following the November 2016 earthquake.

   The current building environments might be considered challenging by our people as well as by potential new candidates. This could limit GWRC in retaining staff as well as obtaining a suitably sized candidate pool when advertising for new people.

4) Fragmentation and volume of communication outputs

   The fragmented ownership of communication outputs with little governance and strategic coherence leads to potential reputation damage as customers receive too much complicated information and as a result think we are obfuscating to confuse or hide the truth.

There was no change in scoring to any of the residual risks during the quarter.

4.   Public Transport presentation

Public Transport will attend the meeting and provide insight into the topical and emerging risks for them (**Attachment 3**).

5.   Definition of report heading

A brief description of the Council's risk report columns (for **Attachment 1** and **Attachment 2**) 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.

Risk Category: This is a category/(ies) of risk that the risk belongs to. Each category has a risk appetite which measures Council's propensity to accept

risk. Health & safety to staff and contractors, Legislative and regulatory and Environment damage are areas where we have a low appetite to 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.

6. The decision-making process and significance

No decision is being sought in this report.

6.1 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:

Mike Timmer   **Dave Humm**
Treasurer   GM Corporate Services/CFO

Attachment 1: Changes to risks the register in March Quarter 2017
Attachment 2: Top ten risks
Attachment 3: Risk management in the Public Transport