

## Attachment 2 – Top Ten risks

## QUARTERLY RISK REPORT PER 31 MARCH 2017

Overall ranking	Risk Id	Risk Category(s)	Description	Inherent risk level	Controls	Residual risk level	Risk owner	Status Change since last quarterly review, including any risk treatments being considered
1	115	<ul style="list-style-type: none"> <li>Services are severely curtailed</li> <li>Loss, failure or damage to assets</li> <li>Financial</li> <li>Political</li> </ul>	Failure of KiwiRail network assets or network operations causes damage to GWRL assets or cancellation of multiple services	High Risk	<p>GW ensures that KiwiRail has a robust emergency response plan that:</p> <ul style="list-style-type: none"> <li>- provides for efficient bus replacements</li> <li>- provides for effective customer communications in the event of a failure</li> <li>- includes a separate set of operational parameters relating to earthquake magnitudes and readings from network based ground acceleration sensors</li> </ul> <p>GW ensures that KiwiRail has a robust network management plan that:</p> <ul style="list-style-type: none"> <li>- focuses funded renewal activities on critical components of the network</li> <li>- provides for infrastructure maintenance, monitoring and inspections</li> </ul> <p>Maintain strong relationships with network owner and the rail operator, including regular meetings and reporting against a clear set of performance targets</p> <p>GW partners an application to the crown (via MoT) for additional funding for 'catch up renewals' for network infrastructure</p> <p>GW participates in Metro Operating Model review led by MoT &amp; Treasury</p>	High Risk	Angus Gabara	<p>In the quarter GW has:</p> <ul style="list-style-type: none"> <li>• Maintained strong relationships with operators, maintainers and network owners including regular meetings &amp; performance reporting</li> <li>• Continued to closely monitor operational activities across the rail system to ensure that safety, quality standards and reliability of information are maintained by the operators, maintainers and network owners</li> <li>• Worked with KiwiRail to improve Network Asset Management Plan</li> <li>• Provided support to obtain additional deferred renewal funding from MoT to continue face renewal of the overhead traction system on the Hutt Line</li> <li>• Reviewed this risk - no change in status</li> </ul>
2	77	<ul style="list-style-type: none"> <li>Health and safety of staff and contractors &amp; volunteers</li> <li>Environmental damage</li> <li>Legislative and regulatory</li> <li>Political</li> </ul>	Contaminated site(s) either known or unknown that results in harm to environment and/or health	Very High Risk	<p>Resourcing - additional admin resource has been provided to ensure that the database is updated regularly.</p> <p>The reports provided to the public have been reviewed and reformatted to be more user friendly. Additional technical expertise has also been allocated to review the data provided by the TA's.</p>	Medium Risk	Lian Butcher	<p>A desk top investigation is complete for Miramar Gas Works. We have met with Wellington City Council and MfE to outline the risk. Next step is to form a project team and meet with a Risk Communication expert. The cross-agency project team will then pull together tasks, timelines and costings for further discussion. Next steps likely to involve a more extensive investigation, and a communication strategy. It is likely we will apply to MfE's remediation fund to help with costs. There will be an issue who pays the 'other half' as MfE only contribute half.</p>
3	114	<ul style="list-style-type: none"> <li>Projects</li> </ul>	Delivery of the Regional Public Transport Plan (RPTP) put at risk due to delay or cancellation of one or more interrelated projects	Very High Risk	<p>Co-ordinated project management</p> <p>Strong programme management</p> <p>Appropriate programme resources identified &amp; engaged as required</p> <p>Appropriate external assistance</p> <p>Appropriate project governance</p> <p>Maintain strong relationships with WCC &amp; NZTA</p>	Medium Risk	Wayne Hastie	<p>In the quarter GW has:</p> <ul style="list-style-type: none"> <li>• Continued to utilise the Public Transport Transformation Programme to manage the key large Public Transport Projects, establishing clear accountabilities, structures and reporting arrangements across GWRC, NZTA, WCC and other parties</li> <li>• Reviewed this risk - no change in status</li> </ul>
4	63	<ul style="list-style-type: none"> <li>Financial</li> <li>Political</li> </ul>	Unnecessary costs or delays incurred as a result of poor Public Transport procurement decisions (including PTOM contracts)	Medium Risk	<p>Ensure documented processes conform to Office of Auditor General's Guidelines and NZ Transport Agency requirements</p> <p>Engage an independent Probity Auditor for all major contracts</p> <p>Internal peer review</p> <p>Ensure all procurement processes have access to staff with an appropriate level of training</p> <p>Seek appropriate legal advice as required</p> <p>Engage a Probity Advisor</p> <p>Engagement of legal and procurement staff</p> <p>Overview by NZTA</p> <p>Projects managed by a separate programme management group with appropriate levels of skills and training</p>	Medium Risk	Wayne Hastie	<p>In the quarter GW has:</p> <ul style="list-style-type: none"> <li>• Utilised the Public Transport Transformation Programme to provide ongoing governance and support for the PTOM projects</li> <li>• Continued to engage with the industry and NZTA on the Public Transport Operating Model (PTOM) which will change the way we contract for bus and rail services</li> <li>• Worked with external advisers in developing best practice PTOM contracts</li> <li>• Reviewed this risk - no change in status</li> </ul>

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5	93	<ul style="list-style-type: none"> <li>Health and safety of staff and contractors and volunteers</li> <li>Human resources</li> <li>Legislative and regulatory</li> <li>Political</li> </ul>	Fatality or permanent disability arising from use of a quad-bike in a manner that doesn't comply with organisational Health and Safety procedures	Very High Risk	Health & Safety Plan Equipment procurement and maintenance Quad bike SOP Quad bike training and competency	Medium Risk	Amanda Cox	Disposed of two maintenance team quads. Remaining two quads are planned for disposal.
6	103	<ul style="list-style-type: none"> <li>Health and safety of staff and contractors and volunteers</li> <li>Political</li> </ul>	Fatality or permanent disability to CM staff arising from use of a quad bike in a manner that doesn't comply with organisational Health and Safety	Very High Risk	Department Hazard Registers Working Alone Procedures & Equipment Departmental Plans - Maintenance Schedules Health & Safety Plan Standard Operating Procedures	Medium Risk	Wayne O'Donnell	LUV and quad specifications are assessed as part of the procurement process to ensure they are fit for purpose. All staff are required to undertake external training and gain NZQA credits including features and operation of quads and LUVs. Practice days are run for staff who want extra supervised practice.
7	136	<ul style="list-style-type: none"> <li>Services are severely curtailed</li> <li>Financial</li> <li>Political</li> </ul>	Inability to adequately respond to another significant seismic event damaging Shed 39 given high probability of another event	Medium Risk	Insurance is in place Department Business Continuity Plans Disaster Recovery Plan	Medium Risk	Dave Humm	The November earthquakes in Kaikoura have significantly raised the chances of another magnitude 7 event that could impact Shed 39 again. Alternative accommodation in Wellington is in high demand, it might be difficult to relocate again. Longer term plans in terms of accommodation are being considered.
8	126	<ul style="list-style-type: none"> <li>Health and Safety of staff, contractors, and volunteers</li> <li>Physical harm to the general public</li> </ul>	Fatality or harm to staff working in or near water	High Risk	FPSOP46 Woking in or near water Driver training general and 4WD	Medium Risk	Wayne O'Donnell	Driving training control added to mitigate risk
9	118	<ul style="list-style-type: none"> <li>Health and safety of staff, contractors and volunteers</li> </ul>	Unsafe work practices, medical event, or error by one of our contractors or public transport operators causes serious injury	High Risk	GW ensures that: - appropriate health and safety clauses are included in contracts, including health and safety plans and reporting - health and safety is adequately funded - audits, monitoring and site inspections take place - SPAD management plan is in place - development of a pathway to implement ETCS - additional train stops installed - simulator	High Risk	Wayne Hastie	In the quarter GW has: <ul style="list-style-type: none"> <li>Participated in a Health and Safety audit being completed by one of our contractors</li> <li>Programmed operator health and safety audits</li> <li>Reviewed this risk - no change in status</li> </ul>
10	106	<ul style="list-style-type: none"> <li>Services are severely curtailed</li> <li>Physical harm to the general public</li> <li>Political</li> </ul>	Failure of KiwiRail network or third party assets, or network operations causes serious injury	High Risk	GW ensures that KiwiRail has a robust network management plan that: - focuses funded renewal activities on critical components of the network - provides for infrastructure maintenance, monitoring and inspections GW ensures that KiwiRail has an emergency response plan with the network owner and operator  Maintain strong relationships with the network operator, including regular meetings and reporting against a clear set of performance targets  GW ensures that KiwiRail has a safety plan and current safety case GW partners application to the crown (via MoT) for additional funding for 'catch up renewals' for network infrastructure	High Risk	Angus Gabara	In the quarter GW has: <ul style="list-style-type: none"> <li>Maintained strong relationships with KiwiRail, the network owners, including regular meetings &amp; health and safety reporting</li> <li>Continued to closely monitor operational activities across the rail system to ensure that safety, quality standards and reliability of information are maintained by the network owners</li> <li>Reviewed this risk - no change in status</li> </ul>