



Report 08.545
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Committee Finance, Evaluation & Risk Committee
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Review of Risk Assurance Framework

1. Purpose

To present the report from the Quorum Group review of Greater Wellington's risk assurance framework.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

The Quorum Group were engaged to carry out a review of Greater Wellington's risk assurance framework. A copy of their report is attached (refer **Attachment 1**). The Directors of the Quorum Group will be at the committee meeting to present their report.

4. Management comments on Quorum report

Management's comments on the recommendations in the Quorum report are as follows:

4.1 A formal Risk Management System should be implemented

Greater Wellington is currently implementing Quantate, a risk management system. It is intended to use that as the starting point for our risk management framework which will involve a detailed review of the COSO system. We agree that an appropriate Risk Management system be implemented.

4.2 The business planning challenge processes within GWRC should be explicitly focused to ensure consistency between plans.

A number of our plans are completed according to different timeframes. Management undertakes a process when the LTCCP is prepared to ensure consistency between the plans

4.3 Ensure Key Risks are defined against the relevant Objectives and documented as part of the LTCCP process.

Risks are considered in our detailed business plans which under-pin the LTCCP. We will consider including risks as part of our newly developing performance management framework.

4.4 Review membership of the Treasury Management Group and extend the role of the independent advisors.

The CEO receives the reports that go to the Treasury Management Group and he normally attends the year end meeting. We suggest that Treasury advisor presents to FERC six monthly.

4.5 We recommend the role of Independent Insurance Broker be subject to periodic tender and the policy with respect to self-insurance be resolved.

An Independent Insurance Broker has been appointed to review our insurance programme.

4.6 Consider opportunities to more formally survey Key Stakeholders to provide further performance and priority insights.

Greater Wellington will review key stakeholder surveys currently undertaken with the objective of ensuring an appropriate suite of surveys is in place.

4.7 Level of structure around IT/IS planning, design and build and supporting policy should be reviewed.

We agree with this recommendation.

4.8 Review the IT Business Continuity Planning (BCP) framework in place to assure the right level of preparedness has been considered.

This will be reviewed in conjunction with the development of a risk management system.

4.9 Consider more regular independent review of Forestry commercial operations and strategies.

This will be considered as part of the 2009-19 LTCCP. The last review was carried out in 2006.

5. **Communication**

No communications are necessary at this time.

6. **Recommendations**

That the Committee:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Considers the recommendations in the Quorum report.***

Report prepared by:

Report approved by:



Barry Turfrey
Chief Financial Officer

David Benham
Chief Executive

Attachment 1. Quorum report