

The background of the slide is a top-down view of a white desk. On the left, a portion of a silver laptop is visible. In the center, a white keyboard with dark keys is partially shown. To the right of the keyboard is a grey textured notebook with a black pen resting on it. Below the notebook, a pair of white earbuds with a thin wire is visible. In the bottom right corner, a spiral-bound notebook with a wooden pencil is partially shown.

RISK NZ

**WELCOME TO THE RISKNZ LUNCHTIME
SEMINAR
September 2020**

Website: www.risknz.org.nz | LinkedIn: www.linkedin.com/company/risknz/

RiskNZ would like to thank the support of our Sponsors and Hosts

PREMIER SPONSOR



LUNCHTIME SEMINAR SPONSORS



LUNCHTIME SEMINAR SUPPORTERS - HOST VENUES



Building the

CENTRAL

INTERCEPTOR

SUSTAINABILITY

Olivia Philpot – Sustainability Lead

Central Interceptor

Watercare 
An Auckland Council Organisation

Where is the Central Interceptor going?



A 13-km underground tunnel from Western Springs, near the Auckland Zoo, to Watercare's Māngere Wastewater Treatment Plant.

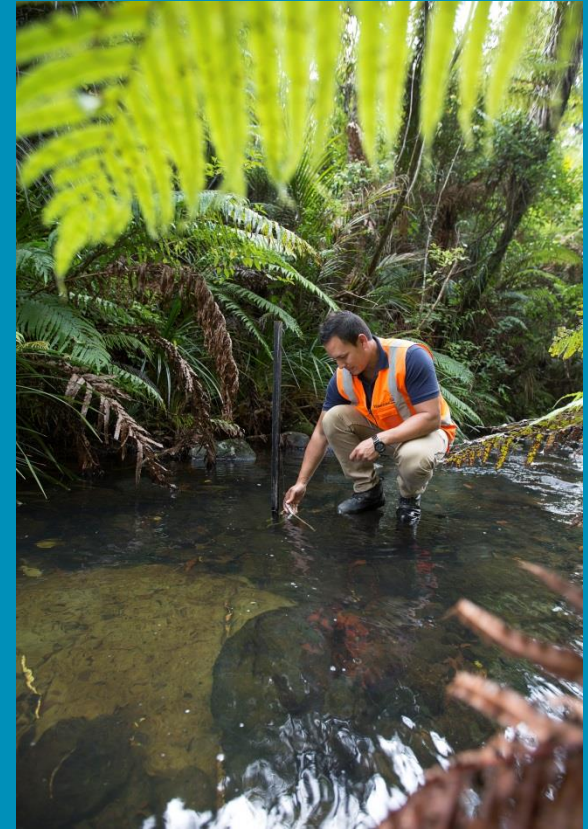
Central Interceptor

Watercare
An Auckland Council Organisation



What is Sustainability?

- Doing more with less
- Environmental, Economic, Cultural, and Social
- Adding value not cost
- Being brought into legislation
- Public sector focus
- Making change – with scale comes opportunity for impact



Central Interceptor

Watercare 
An Auckland Council Organisation

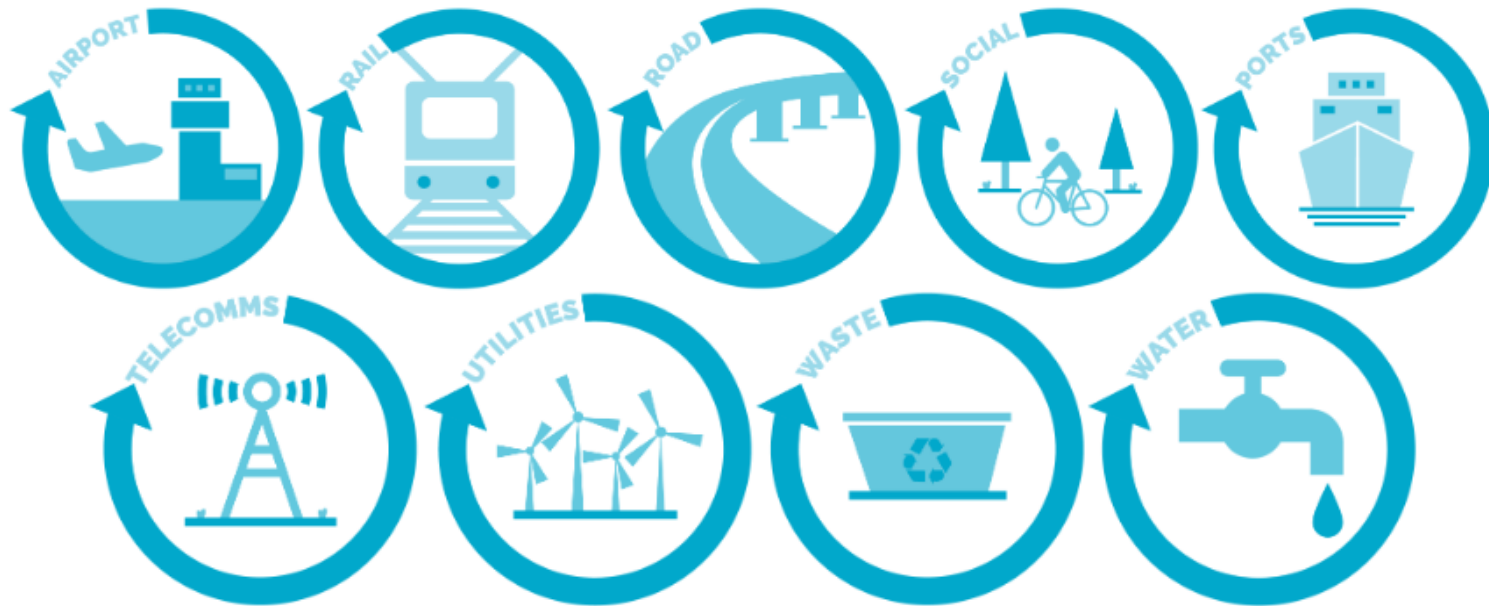
Environmental Impacts of Infrastructure

- ❏ Climate change
- ❏ Waste
- ❏ Pressure on resources
- ❏ Ecological Value

17% of NZ's waste comes
from **construction and demolition**



ISCA – Infrastructure Sustainability Council of Australia



Central Interceptor

Watercare
An Auckland Council Organisation



Infrastructure Sustainability Council of Australia (ISCA)

- 2007 – Australian Green Infrastructure Council
- 2012 – ISCA
- \$80 billion + projects engaged in the ratings program
- 4 types of rating: Planning, **Design**, **As-Built**, Operations
- Triple bottom line: Environment, Economic, Social



ISCA in New Zealand



Auckland Airport Operations

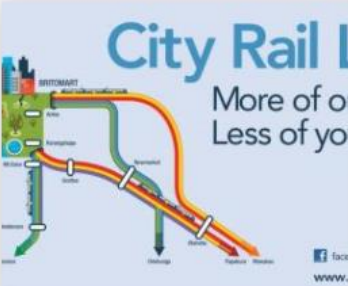
COMMEDED

THIS PROJECT BY THE AUCKLAND AIRPORT HAS ACHIEVED AN 'COMMEDED' IS RATING.



Auckland Airport Phase B

THIS PROJECT BY AUCKLAND AIRPORT HAS REGISTERED FOR A DESIGN V1.1 IS RATING.



City Rail Link - Contract 1 (Britomart Works)

LEADING

THIS PROJECT BY THE CITY RAIL LINK LIMITED HAS ACHIEVED AN 'LEADING' AS DESIGN V1 IS RATING.



City Rail Link - Contract 2 (Albert Street Tunnels)

LEADING

THIS PROJECT BY THE CITY RAIL LINK LIMITED HAS ACHIEVED AN 'LEADING' IS RATING.



Madden and Pakenham Streets Upgrade

THIS PROJECT BY PANUKU DEVELOPMENT AUCKLAND ACHIEVED AN 'EXCELLENT' DESIGN V1.0 IS RATING.



McDougall's Lift Replacement

EXCELLENT

THIS PROJECT BY THE TONKIN + TAYLOR HAS ACHIEVED AN 'EXCELLENT' AS BUILT V1.2 IS RATING.



Central Interceptor

Watercare
An Auckland Council Organisation



ISCA Topics

Themes	Categories
Management & Governance	Management Systems
	Procurement & Purchasing
	Climate Change Adaptation
Using Resources	Energy & Carbon
	Water
	Materials
Emissions, Pollution & Waste	Discharges to Air, Land & Water
	Land
	Waste
Ecology	Ecology
People & Place	Community Health, Wellbeing & Safety
	Heritage
	Stakeholder Participation
	Urban & Landscape Design
Innovation	Innovation



ISCA Risk Credit

Man-2 Risk and Opportunity Management

Aim

To reward the assessment of sustainability risks and opportunities to inform the management approach.

Criteria

	Level 1	Level 2	Level 3
Benchmark	Environmental, social and economic risks are assessed. AND The risk assessment is updated at least annually.	The requirements for Level 1 are achieved. AND Environmental, social and economic opportunities are also assessed.	Not applicable
Evidence	Risk register Minutes of risk assessment meetings Records of risk reviews	The evidence for Level 1	Not applicable

Additional Guidance

Risk registers are suitable evidence for this credit and must include environmental, social and economic risks (at least one of each) and must cover the whole project scope. The risk register should include estimates of risk level (typically based on likelihood and consequence), and controls to treat or manage the risk, or acceptance of the risk with justification.

Level 1

Risk assessments should be reviewed at least annually and should also be reviewed at key project phases (e.g. at least in design, construction and operation phases).

Level 2

The risk register must include environmental, social and economic opportunities (at least one of each). The standard definition of risk (in ISO 31000) is the "effect of uncertainty on objectives" which is neutral in terms of negative and positive consequences of the uncertainties. The term 'opportunities' has been used here to clearly identify risks with positive consequences. A 'sustainability initiatives

register' or similar record would meet the requirement for opportunity assessment.

Examples of economic opportunities include providing local employment, supporting local businesses, and increasing the city or state's productivity. Economic opportunities usually have a wider benefit than just the financial performance of the project or asset.

Small Projects

Where the project is within a larger program or project, all of the criteria may be satisfied at the program (or larger project) level. It must also be demonstrated that the program wide risk and opportunity assessment:

- Covered the scope of the small project within the program
- Was conducted by an organisation with direct influence over the small project as well as the larger program or project
- Was undertaken at a time to directly influence the small project (e.g. in advance of).

For this to apply, the larger program or project must not be registered for an IS rating (use the Program Delivery Model in this case).



How would a risk professional assist with an ISCA risk credit?

- Ensure risk register has a column for when the risks were entered into the register (dates not just project phase) AND a tab with a record of when the register was updated
- Encourage participants to note down opportunities
- Include topics like energy, waste, water, materials, ecology



Climate Risk Disclosure

- MfE requirement for local authorities and lifeline utilities to report on climate risk
- Around 600 organisations
- Topics include:
 - Governance of risk and opportunities
 - Actual and potential effects on planning
 - Processes the identify, assess, and manage climate risk
 - Metrics and targets to assess and manage climate risk



Climate related risks

- Climate risks:
- Physical – changing rainfall patterns, concentrated ww flows, instability of dams, saline intrusion, inundation of assets.
- Transitional:
 - Financial/Market;
 - Technological;
 - Policy and legal;
 - Reputational.



Vulnerability Examples

Decreased land stability following rainfall

Loss of native vegetation in catchments due to fire

Buoyancy forces on dam base

Fluctuating supply patterns dependant on rainfall events

Increased microbiological activity in raw water sources

Saline intrusion

Dependency on third party suppliers (roading, power, telecommunications, chemical supply)

Potential for ash in the raw water sources

Pipe breakages due to dry ground conditions and slips

Stricter consent conditions

Stranded assets due to sea level rise

Pipe corrosion from salt water



Central Interceptor

Watercare 
An Auckland Council Organisation

Board Interest

- Fully sustainable is one of our 4 strategic priorities at Watercare
- Our board has formed a sub-committee to address climate related matters
- Boards and investors are wanting private companies to assess their climate risk and action both mitigation and adaptation

BlackRock demands 'demonstrable fluency' from directors on climate risk



QUESTIONS

**Please type any questions into
the Q&A panel now.**

RiskNZ would like to thank the support of our Sponsors and Hosts

PREMIER SPONSOR



LUNCHTIME SEMINAR SPONSORS



LUNCHTIME SEMINAR SUPPORTERS - HOST VENUES





RISK NZ

**THANK YOU FOR JOINING OUR LUNCHTIME
SEMINAR**

Website: www.risknz.org.nz | LinkedIn: www.linkedin.com/company/risknz/