

Earthquake Risk Mitigation

We seek to identify the risks associated with earthquakes and better understand how to manage them. We are contributing to a long-term research project into seismic activity and are implementing a policy under the Building Act, that requires the assessment of earthquake prone buildings and strengthening work to be completed by owners.

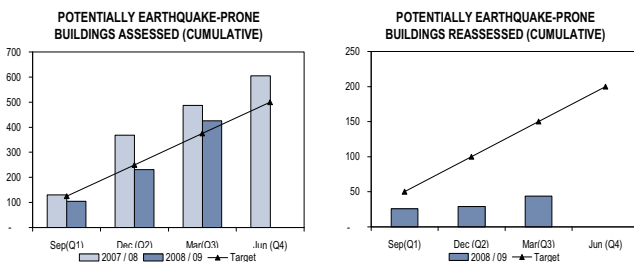
1.4.1 Earthquake Risk Mitigation

WHAT WE DID

We continued to part fund *It's Our Fault*, a long-term research project on seismic activity in Wellington. The key streams of work include: specific fault investigations (including mapping of Cook Strait faults), detailed and precise measurements of movements using GPS equipment, and development of a model to analyse and predict likely earthquake events.

During the quarter we received 195 reviews and 15 reassessments of potentially earthquake prone buildings from our structural engineers. We have advised owners of 600¹ properties where we have completed an IEP assessment on their building and the result was greater than 34%. This means that we think the building is unlikely to be earthquake prone and that the building owners are not required to take action to improve the safety of the building at this point in time.

HOW WE PERFORMED



Note: the number of buildings that are reassessed is dependent on the information provided by the owners.

ACTIVITIES FOR THE NEXT QUARTER

Our focus for the next quarter will be to issue formal notices to building owners advising them that their buildings are earthquake-prone, assuming the adoption by Council of the reviewed earthquake-prone building policy. The reviewed earthquake-prone building policy goes to SPC on 23 April.

We are now at the stage where the findings to date from *It's Our Fault* can be published. In particular, we will be developing a communications programme for our findings about the length of return period and the likely severity of major earthquake events in the region.

¹ The 600 properties have been identified since the project began in July 2006.

Financials

WHAT IT COST

Operational projects \$000	Actual YTD	Budget YTD	Variance YTD	Full Year Budget
1.4.1 Earthquake Risk Mitigation				
Expenditure	431	433	2	584
Revenue	0	0	0	0
Net Operating Expenditure	431	433	2	584
Capital projects \$000	Actual YTD	Budget YTD	Variance YTD	Full Year Budget
1.4.1 Earthquake Risk Mitigation				
Expenditure	0	0	0	0

Operating Expenditure

1.4.1: Operating expenditure is in line with budget.

Capital Expenditure

1.4.1: No capital expenditure is budgeted for this activity.

How it Was Funded

1.4.1: This activity is targeted to be 100% rates funded.