

Komiti o te Mōrearea me te Tūmaru | Risk & Assurance Committee



Mēneti Wātea | Open Minutes



Minutes of an extraordinary meeting of Komiti o te Mōrearea me te Tūmaru | Risk & Assurance Committee held in the Council Chambers, 35 Kenrick Street, TE AROHA on Tuesday 19 March 2024 at 09:00.

Ngā Mema | Membership

Tiamana | Chairperson

Jaydene Kana

Independent Member

Joanne Aoake

Koromatua | Mayor

Adrienne Wilcock, JP

Koromatua Tautoko | Deputy Mayor

James Thomas

Kaunihera ā-Rohe | District Councillors

Bruce Dewhurst

Kevin Tappin

Gary Thompson



Ngā whakapāha | Apologies

Title	Name
Councillor	Gary Thompson
Deputy Mayor	James Thomas

Kaimahi i reira | Staff Present

Name	Title	Item No.
Don Mcleod	Chief Executive Officer	8.1
Sandra Harris	Placemaking and Governance Team Leader	8.9
Kuljeet Kaur	Governance Support Officer	
Stephanie Hutchins	Governance Support Officer	
Larnia Rushbrooke	Finance and Business Services Manager	8.2,8.3,8.6,8.8,
Manaia Te Wiata	Group Manager Business Support	
Anne Gummer	Policy Advisor	8.2, 8.4
Olivia Picard	Graduate Policy Advisor	8.3,
Anne Gummer	Policy Advisor	
Susanne Kampshof	Asset Manager Strategy and Policy	8.7
Kate Stevens	Safety and Wellness Team Leader	8.10
Roger Lamberth	Property and Community Projects Manager	8.11
Jenni Cochrane		8.5

I reira | In Attendance

Name	Position/Organisation	Item	Time In	Time Out
Claudia Brink	Audit Manager, Audit New Zealand		9.15 am	12.00 pm
René van Zyl	Audit Director, Audit New Zealand		9.07am	12.00 pm

1 Whakatūwheratanga o te hui | Meeting Opening

Chair Jaydene Kana welcomed everyone and opened the meeting at 9.09am.

2 Karakia

Chair Jaydene Kana performed the opening Karakia.

**3 Ngā whakapāha/Tono whakawātea | Apologies/Leave of Absence
WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION**

THAT THE APOLOGIES FROM CR GARY THOMPSON AND DEPUTY MAYOR JAMES THOMAS BE ACCEPTED AND LEAVE OF ABSENCE FROM THE MEETING BE GRANTED.

THAT THE APOLOGY FOR LATENESS FROM CR KEVIN TAPPIN BE RECEIVED. CR KEVIN JOINED THE MEETING AT 9.08AM.

RESOLUTION NUMBER YV/2024/00001

MOVED BY: MAYOR A WILCOCK

SECONDED BY: J AOAKE

KUA MANA | CARRIED

4 PĀNUI I NGĀ TAKE OHORERE ANŌ | NOTIFICATION OF URGENT/ADDITIONAL BUSINESS

As this is an extraordinary meeting, no urgent business was considered.

5 Whākī pānga | Declaration of Interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

6 WHAKAAETANGA MĒNETI | CONFIRMATION OF MINUTES

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

THAT THE MINUTES OF THE MEETING OF THE ORDINARY MEETING OF KOMITI O TE MŌREAREA ME TE TŪMARU | RISK AND ASSURANCE COMMITTEE MINUTES, AS CIRCULATED, HELD ON 5 DECEMBER 2023.

RESOLUTION NUMBER YV/2024/00002

MOVED BY: CHAIR J KANA

SECONDED BY: J AOAKE

KUA MANA | CARRIED

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

THAT THE MINUTES OF THE MEETING OF THE ORDINARY MEETING OF KOMITI O TE MŌREAREA ME TE TŪMARU | RISK AND ASSURANCE COMMITTEE MINUTES, AS CIRCULATED, HELD ON 23 JANUARY 2024.

RESOLUTION NUMBER YV/2024/00003

MOVED BY: CHAIR J KANA

SECONDED BY: MAYOR A WILCOCK

KUA MANA | CARRIED

NGĀ PŪRONGO O NGĀ ĀPIHA | OFFICER REPORTS

7 Pūrongo me whakatau | Decision Reports

7.1 Chair's Update

CM No.: 2822182

Te Kaupapa | Purpose

The purpose of this report is for the Chairperson to update the Committee on activities following the last meeting.

Rāpopotonga Matua | Executive Summary

Risk and Assurance Committee Chairperson, Jaydene Kana to present the Chair's Update report.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The information be received.

Resolution number YV/2024/00004

Moved by: Chair J Kana

Seconded by: J Aoake

KUA MANA | CARRIED

8 Ngā Pūrongo Whakamārama | Information Reports

8.1 Chief Executive Update

CM No.: 2822183

Te Kaupapa | Purpose

The purpose of this report is for the Chief Executive to update the committee on activities following the last meeting.

Rāpopotonga Matua | Executive Summary

Chief Executive, Don McLeod to present the Chief Executive Update report.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The information be received.

Resolution number YV/2024/00005

Moved by: Chair J Kana

Seconded by: Cr B Dewhurst

KUA MANA | CARRIED

8.2 Audit management report for the Annual report 22/23

CM No.: 2827481

Te Kaupapa | Purpose

The purpose of this report is to provide committee members with an overview of the Audit management report for the Annual report 22/23 which outlines the internal control and financial/non-financial reporting matters identified by Audit NZ during the final audit for the year ended 30 June 2023 and to outline how Council is addressing the matters.

Rāpopotonga Matua | Executive Summary

Audit New Zealand is Council's external auditor appointed by the Office of the Auditor-General to conduct the audit on their behalf. Audit NZ issues reports to the Council on how the council can enhance and improve processes, procedures and disclosures.

The Audit management report has been issued which outlines issues identified and makes recommendations for significant items that need to be addressed, and ranks them in priority. The report identifies one issue ranked urgent, eight measures ranked necessary and two issues ranked beneficial. Management have provided comment within the report as to progress made toward addressing the identified issues. The report is attached.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The information be received
2. The committee note the matters identified by Audit New Zealand in its report to Council for the year ended 30 June 2023, and management responses to those matters.

Resolution number YV/2024/00006

Moved by: Cr K Tappin

Seconded by: J Aoake

KUA MANA | CARRIED

8.3 Six Month Report - July to December 2023

CM No.: 2828604

Te Kaupapa | Purpose

The purpose of the Six Month Report is to provide an update on Councils financials and performance during the period July – December 2023.

The Six Month Report is circulated separately.

Rāpopotonga Matua | Executive Summary

Providing a Six Month Report to the Committee reflects the 'no surprises' approach staff endeavour to maintain. This is to ensure that the results of the Annual Report, that is required to be audited and adopted by 31 October each year, are not unexpected.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The Committee receive the Six Month Report.

Resolution number YV/2024/00007

Moved by: Chair J Kana

Seconded by: Mayor A Wilcock

KUA MANA | CARRIED

ATTACHMENTS

- A Six Month Report 2023 24 Final

8.4 Audit engagement letter for Long Term Plan 2024-2034

CM No.: 2828173

Te Kaupapa | Purpose

This purpose of this report is to consider the Audit Engagement Letter received from Audit New Zealand covering the audit of the consultation document and Long Term Plan 2024-2034.

Rāpopotonga Matua | Executive Summary

Audit New Zealand have provided a letter outlining the terms of the engagement and the individual responsibilities for the audit of the Long Term Plan 2024-2034 and consultation document.

Audit has also provided an Audit engagement letter for the annual audits, years ending 30 June 2023 to 30 June 2025.

Letters attached.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The Audit Engagement Letter for the audit of the consultation document and Long Term Plan 2024-2034 be received.

Resolution number YV/2024/00008

Moved by: Chair J Kana

Seconded by: J Aoake

KUA MANA | CARRIED

8.5 Review of Supporting Information and Consultation Document for the Long Term Plan 2024-2034

CM No.: 2833563

Te Kaupapa | Purpose

To present to the Committee for consideration:

1. The supporting information for the draft Long Term Plan 2024-2034 Consultation Document (supporting information)
2. Council's proposal to set an unbalanced budget for the Long Term Plan period and the reasons why this decision is considered prudent.
3. The Long Term Plan 2024-2034 Consultation Document for public consultation.
4. The Audit opinion for the Consultation Document and Audit letter of Representation.

Rāpopotonga Matua | Executive Summary

In accordance with the Local Government Act 2002 (LGA) a draft Long Term Plan for the 2024-2034 period has been prepared by Council and audited by Audit NZ.

Also in accordance with the LGA, a consultation document that enables Council to consult with its community on the information included in the LTP has been prepared and has been audited. Audit Director, René van Zyl in attendance to present the Audit opinion to the committee. A copy of the Audit opinion and letter of representation circulated separately to this report.

For the purpose of public consultation, the draft LTP becomes the supporting information for the consultation document, alongside some additional policies.

This report is organised into four parts as below:

- Part One:** Review and recommend to Council the LTP and Policies (detailed below) for adoption **as supporting information** for the Consultation Document (outlined in Table 1 below). Note: This includes policies previously adopted for other purposes (e.g. public consultation)
- Part Two:** Review Council's proposal to have an unbalanced budget for the LTP period and the reasons why Council considers this decision is prudent
- Part Three:** Review and recommend to Council the Consultation Document for adoption for public consultation
- Part Four:** Receive the audit opinion.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

Part One: Review of supporting information

That:

1. The Committee receives the report.
2. The Committee has reviewed the supporting information for the draft Long Term Plan 2024-2034 Consultation Document and recommends it to Council for adoption.

Resolution number YV/2024/00009

Moved by: J Aoake

Seconded by: Cr B Dewhurst

KUA MANA | CARRIED

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

Part Two: Consideration of unbalanced budget

3. The Committee has reviewed Council's intention to set an unbalanced budget for all years of the Long Term Plan 2024-2034 and has considered the financial prudence of this decision.
4. The Committee has reviewed the reasons and implications of the proposed decision to set an unbalanced budget.

Resolution number YV/2024/00010

Moved by: Cr B Dewhurst

Seconded by: J Aoake

KUA MANA | CARRIED

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

Part Three: Review of consultation document

5. The Committee has reviewed the Consultation Document for the draft Long Term Plan 2024-2034 and recommends it to Council for approval for public consultation.

Resolution number YV/2024/00011

Moved by: Mayor A Wilcock

Seconded by: Cr K Tappin

KUA MANA | CARRIED

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

Part Four: Receipt of audit opinion

6. The Committee receives the Audit opinion from Audit New Zealand, on behalf of the Auditor-General.
7. The Committee receives the Letter of representation from Audit New Zealand, on behalf of the Auditor-General.

Resolution number YV/2024/00012

Moved by: Mayor A Wilcock
Seconded by: J Aoake

KUA MANA | CARRIED

ATTACHMENTS

- A Consultation Document 2024-34
- B Audit Report CD (draft) for LTP 2024 2034
- C Draft Long Term Plan 2024-2034
- D Audit Letter of representation CD (draft) for LTP 2024 2034

8.6 Draft Revenue and Financing Policy 2024

CM No.: 2829961

Te Kaupapa | Purpose

The purpose of this report is to present the Draft Revenue and Finance Policy that has been developed with the 2024-34 Long Term Plan (LTP) for review.

Rāpopotonga Matua | Executive Summary

Council is required to review and adopt a Revenue and Financing Policy (RFP) every three years. The purpose of the policy is to show how Council's activities are funded - who pays for what, and why. The policy would come into effect from 1 July 2024 and must be included in the Council's LTP.

Council will be requested to approve the Draft RFP and corresponding Statement of Proposal for public consultation on 20 March 2024, along with the Draft LTP and related documents. The Draft Policy is being presented to the Committee for review and feedback.

Tūtohunga | Recommendation

That:

1. The Committee receives the report
2. The Committee reviews the Draft Revenue and Finance Policy 2024 and the corresponding Statement of Proposal.

KUA MANA | CARRIED

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The Committee receives the report
2. The Committee reviews the Draft Revenue and Finance Policy 2024 and the corresponding Statement of Proposal and recommends these to Council for adoption.

Resolution number YV/2024/00013

Moved by: Chair J Kana
Seconded by: J Aoake

KUA MANA | CARRIED

8.7 Review of draft Development Contributions Policy

CM No.: 2833501

Te Kaupapa | Purpose

The purpose of this report is to present the draft Development Contributions Policy and Statement of Proposal to the committee for their consideration and recommendation ahead of adoption by Council for public consultation.

Rāpopotonga Matua | Executive Summary

The Development Contributions Policy (Policy) sets out how Council will recover the capital costs of development from development activity in the district, such as subdivisions, which place extra demand on the network.

The Development Contributions Policy is reviewed and consulted on alongside the Long Term Plan.

The Statement of Proposal summarise the Policy, the changes and the consultation process.

The Policy and Statement of Proposal is circulated separately.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The committee receives the report
2. The committee considers the draft Development Contributions Policy and Statement of Proposal and recommends them to Council for adoption for public consultation.

Resolution number YV/2024/00014

Moved by: Mayor A Wilcock

Seconded by: Chair J Kana

KUA MANA | CARRIED

ATTACHMENTS

- A Draft Development Contributions Policy - marked changes
- B Draft Development Contributions Policy - clean
- C Statement of Proposal Draft Development Contributions Policy

8.8 Draft Rates Remission and Postponement Policy

CM No.: 2830645

Te Kaupapa | Purpose

The purpose of this report is for the Risk and Assurance Committee (the Committee) to review and provide feedback to staff on the draft 2024-34 Rates Remission and Postponement Policy and associated Statement of Proposal for consultation alongside the Long Term Plan.

Rāpopotonga Matua | Executive Summary

Council's Rates Remission and Postponement Policy (Policy) sets out how and when Council can remit or postpone payment on rates. Council can only remit rates if they have adopted a rates remission policy under section 85 of the Local Government (Rating) Act 2002.

Remission of rates involves reducing the amount owing or waiving collection of rates altogether. Postponement of rates means that the payment of rates is not waived in the first instance but delayed for a certain time, or until certain events occur. The overall objective being to provide rates relief in situations to support both the fairness and equity of the rating system, and the overall wellbeing of the community.

This report provides the Committee with the draft 2024-34 Policy on the Remission and Postponement of Rates and associated Statement of Proposal for community consultation. Council are not proposing any major changes to the Policy apart from the removal of the policy on the remission of 2023/2024 targeted rates for kerbside collection. The objective of this policy was to ensure that the targeted rate for the 2023/2024 year was (in effect) charged to the rating units for the period that the service is available to them. This policy is no longer required and has been removed.

Additionally, minor amendments have been proposed to assist in clarity. These are noted in the tracked changes version of the policy.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. **The Risk and Assurance Committee receive the Statement of Proposal for the draft 2024-34 Rates Remission and Postponement Policy for consultation alongside the Long Term Plan.**
2. **The Risk and Assurance Committee receive the draft 2024-34 Rates Remission and Postponement Policy (tracked change and clean copy version) for consultation alongside the Long Term Plan.**

Resolution number YV/2024/00015

Moved by: Mayor A Wilcock

Seconded by: Chair J Kana

KUA MANA | CARRIED

8.9 Policy Register Update

CM No.: 2827806

Te Kaupapa | Purpose

The purpose of this report is to inform the Risk and Assurance Committee of the status of Council's policy reviews.

Rāpopotonga Matua | Executive Summary

In September 2023, the Risk and Assurance Committee requested staff report to the Committee on a bi-annual basis on the status of Council's policy reviews. This will facilitate an organisational view of the policy work programme and demonstrate regular reviews of both internal and external policies, including policies that are required to be reviewed within stated legislative timeframes.

Council staff have created a Policy Register in our corporate system to assist in the above. The Policy Register report is attached. Council staff to provide an update on the status of Council's policy reviews.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The information be received.

Resolution number YV/2024/00016

Moved by: Mayor A Wilcock

Seconded by: Cr K Tappin

KUA MANA | CARRIED

8.10 Safety and Wellness Reports

CM No.: 2822494

Te Kaupapa | Purpose

The purpose of this report is to provide the Committee with safety and wellness reporting.

Rāpopotonga Matua | Executive Summary

The October - December 2023 Quarterly Safety & Wellness Report, and the January 2024 Safety & Wellness Updates are provided. Kate Stevens, Safety & Wellness Team Leader, in attendance to discuss the reports with the committee.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The information be received.

Resolution number YV/2024/00017

Moved by: Chair J Kana

Seconded by: J Aoake

KUA MANA | CARRIED

8.11 Update on Insurances renewed November 2023

CM No.: 2805692

Te Kaupapa | Purpose

The purpose of this report is to provide an update on Council placed insurance policies following the direction given by the Committee at the October 2023 meeting.

Rāpopotonga Matua | Executive Summary

Following the direction given at the October Risk & Assurance Meeting the current policies were renewed on a like for like basis.

Underwriters increased the deductible for Material Damage cover from \$10k to \$25k. Based on the history of the last 10 years of claims this would equate to approximately \$140k additional operational funding requirement over 10 years or \$14k /year.

Options to reduce material damage and business interruption (MDBI) cover are an ongoing consideration.

It is intended to place Public Liability and Professional Indemnity cover through the Waikato Colab Broker (AON) from 1 July 2024.

The total value of insurance premiums for the 2023/24 year are \$1,136,569.92 + gst. This includes an historic 'Call' by Riskpool for additional contributions.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The information be received

Resolution number YV/2024/00018

Moved by: Chair J Kana

Seconded by: Mayor A Wilcock

KUA MANA | CARRIED

8.12 Risk and Assurance Work Programme 2024 - Update March 2024

CM No.: 2830103

Te Kaupapa | Purpose

The purpose of this report is to provide an update to the committee on the work programme as confirmed.

Rāpopotonga Matua | Executive Summary

Staff have developed an update on the Work Programme for the Committee using reports previously scheduled and standing items. It is intended this is a standing item for each Committee meeting.

WHAKATAUNGA Ā-KOMITI | COMMITTEE RESOLUTION

That:

1. The information be received.

Resolution number YV/2024/00019

Moved by: Chair J Kana

Seconded by: J Aoake

KUA MANA | CARRIED

12.28 pm

The Chairperson thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
OF THE MEETING OF KOMITI O TE MŌREAREA
ME TE TŪMARU | RISK & ASSURANCE
COMMITTEE HELD ON 19 MARCH 2024.

KO TE RĀ | DATE:

TIAMANA | CHAIRPERSON: