



## **Audit and Risk Committee**

Minutes of a meeting of the Audit and Risk Committee held in the Council Chamber, 156 High Street, Dannevirke on Tuesday 29 April 2025 commencing at 9:30 am.

### **1. Welcome and Meeting Opening**

Mr P Jones (Chairperson), Her Worship the Mayor - Mrs T H Collis, Crs E L Peeti-Webber (Deputy Mayor), A K Franklin, S M Gilmore, P A Johns, M F Long, K A Sutherland, S A Wallace and S M Wards

#### **In Attendance**

Ms S Lowe	- Group Manager – People, Capability and Customer Experience
Mrs K Tani	- Group Manager – Strategy and Community Wellbeing
Mr H Featonby	- Group Manager - Infrastructure
Mrs S Walshe	- Finance Manager
Ms J Smith	- Legal Counsel and Procurement Manager
Mrs B Fowler	- Senior Financial Accountant
Mrs G Anderson	- Health and Safety Coordinator
Mr H Mischefski	- Procurement Specialist
Ms G Rainey	- Contract Specialist
Mr D Erard	- Tararua Alliance Manager
Ms S Boyt	- Performance Manager, Tararua Alliance
Mrs A Dunn	- Manager – Democracy Services

### **2. Apologies**

There were no apologies.

### **3. Public Forum**

There were no requests for public forum.

#### **4. Notification of Items Not on the Agenda**

Nil

#### **5. Declarations of Conflicts of Interest in Relation to this Meeting's Items of Business**

Nil

#### **6. Confirmation of Minutes**

- 6.1 *That the minutes of the Audit and Risk Committee meeting held on 18 February 2025 (as circulated) be confirmed as a true and accurate record of the meeting.*

*Johns/Wallace*

*Carried*

#### **7. Reports**

##### **7.1 Draft Procurement Policy - Feedback item**

The Audit and Risk Committee considered the report of the Legal Counsel and Procurement Management dated 16 April 2025 that presented the draft procurement policy for feedback and the proposed timeline and next steps for adoption of the policy.

During discussion questions were raised regarding emphasis on supporting local suppliers, with clarification provided that the feedback presented is on what we can do better in terms of our processes and documents.

In response to a question regarding procurement for emergency works, it was noted that during an emergency a full procurement process would not be able to be followed, however there would be constant review during a state of emergency. The need for close reporting when processes were not being followed for example during a state of emergency, and noted the process would be covered in the manual for employees to follow if seeking an exemption from the procurement policy.

The importance of finding the balance between supporting local business and cost effectiveness was noted.

*That the report from the Legal Counsel and Procurement Manager dated 16 April 2025 concerning the Draft Procurement Policy - Feedback item (as circulated) be received and adopted.*

*Collis/Wards*

*Carried*

## 7.2 **Audit New Zealand Letters for Debenture Trust Deed Engagement and Audit Plan**

The Audit and Risk Committee considered the report of the Senior Financial Accountant dated 17 April 2025 that presented the Audit New Zealand's Debenture Trust Deed Engagement and Audit Plan letters for approval.

It was noted that the letters confirmed the Tararua District Council's engagement with the auditors to audit Council's annual report, and included the audit engagement letter. Approval was sought for Her Worship the Mayor to sign and then forward on to the other parties of the tripartite agreement for signing.

It was noted that a small change was needed relating to dates for verbal clearance of the Annual Report following the audit, and then the formal adoption of the Annual Report. The verbal clearance would now be on 24 October 2025, and adoption scheduled for part two of the first triennial meeting on 29 October 2025.

In discussion the meeting noted the integrity self-assessment survey that the Office of the Auditor General intended to undertake as part of the 2024-25 audits, and sought information in respect to what the survey would entail. In response, officers undertook to come back with information on that.

For the July meeting of the Audit and Risk Committee, it was asked that information be provided on the following:

- Revaluations;
- Internal review process for the draft Annual Report.

***That the report from the Senior Financial Accountant dated 17 April 2025 concerning the Audit New Zealand Letters for Debenture Trust Deed Engagement and Audit Plan be received, and***

***That Her Worship the Mayor be given approval to sign these letters on behalf of the Council.***

***Peeti-Webber/Sutherland***

***Carried***

## 7.3 **Risk Appetite**

The Audit and Risk Committee considered the report of the Risk and Assurance Advisor dated 9 April 2025 that provided an update on progress of gap analysis between the draft risk appetites and current risks faced by Council.

In discussion an explanation of the proposed changes to the risk appetite statement was given, noting that as this was the Council's risk appetite statement, members needed to have comfort with the changes proposed.

It was noted that although the focus for this meeting had been on the top four risks, it was intended to review all of the risks and bring those back to the committee for consideration.

With regard to the risk appetite setting for rates setting, where the appetite was set at low, it was suggested that the wording for that risk appetite be amended, to change “Council is committed to a robust rates setting process that includes clear and transparent consultation with the community and aligns with its strategic objectives” to “Council is committed to a legally compliant rates setting process that includes clear and transparent consultation with the community and aligns with its strategic objectives.”

It was noted that a review would be undertaken of more of the risk appetite statements and these would be brought to the July meeting of the Audit and Risk Committee for consideration. A suggestion was made that information on the items to be brought to subsequent meetings would also be useful, noting there would be a new Council from October.

***That the report from the Risk & Assurance Advisor dated 09 April 2025 concerning the Risk Appetite (as circulated) be received and adopted and,***

***That the Audit and Risk Committee endorses the risk appetite statement and Moderate (maintain) Risk Appetite rating for ‘Strategy’.***

***That the Audit and Risk Committee endorses the amended risk appetite statement and Low (maintain) Risk Appetite for ‘Expenditure’.***

***That the Audit and Risk Committee endorses the amended risk appetite statement and a Risk Appetite of Low (maintain) for ‘Health, Safety, and Wellbeing’.***

***That the Audit and Risk Committee endorses the amended risk appetite statement and a Risk Appetite of Moderate (maintain) for ‘Resourcing’.***

***Wallace/Johns***

***Carried***

## **7.4 Risk Management**

The Audit and Risk Committee considered the report of the Risk and Assurance Advisor dated 9 April 2025 that provided an update on matters relating to risk management.

In discussion of the risks associated with the Local Water Done Well reform, clarification was sought on the inclusion of any mitigations for risks highlighted. In response it was noted that mitigations had not been included due to the decision on Local Water Done well would be made on 11 June 2025, and the need to stay neutral in this regard. Once a decision had been made, there would be a review of the risks.

With regard to the use of the acronym “RRT” in the table under item 3.5 in the agenda, it was asked that an explanation be provided of what the acronym stood for.

It was noted that with the legislation due in August, this would provide clarification for some risks. The delay in this legislation adds risk to the delivery of a Water Services Plan by the Government’s deadline of 3 September, as assumptions would need to be made.

***That the report from the Risk & Assurance Advisor dated 09 April 2025 concerning Risk Management (as circulated) be received and adopted.***

***Sutherland/Gilmore***

***Carried***

## **7.5 Health, Safety, and Wellbeing Management Report**

The Audit and Risk Committee considered the report of the Risk and Assurance Advisor dated 9 April 2025 that provided an update on health, safety and wellbeing matters. It was noted that no statistics had been provided against item 9 which was an oversight. It was asked that incident reporting figures be provided to the committee so they could have oversight of this.

In discussion of the information provided on the GetHomeSafe App, the committee noted usage had increased however concern expressed that in general the usage was low which raised safety culture concerns. Information was sought on plans to enforce the use of the App. In response it was noted that there was a need to engage staff and workers on the journey. Workers that could potentially benefit from using the app had been identified, and engagement was needed with the managers and the workers on whether they were working alone or not. More engagement on a workable solution was required to ensure every gets home safely at the end of the working day.

Concerns were expressed about fatigue, and that GetHomeSafe App being a key control for this. It was suggested that strong guidelines for monitoring and enforcing use be implemented, and assurance was sought that a signal was not being sent that key safety mitigations were optional. It was noted there were a number of good users of the App, with a need to encourage others to use the App, and a suggestion made that using clearer language would make it easier for people to understand their responsibilities.

It was clarified that it was not a case of not wanting to enforce the use of the App, it was about building a picture of which officers were working alone rather than making those assumptions. There was a need to understand the work the workers were doing to ensure this could be effectively monitored.

It was asked that a clear target be provided with deadlines for when that information would be known and when it would be achieved.

For the July meeting of the Audit and Risk Committee officers advised that they

would do a deep dive and provide information, along with strengthening wording around what was required to help encourage use.

In discussion of the Central Government announcement of plans to make changes to Health and Safety Law, it was asked whether there was any consideration of how the Council might influence those changes. It was advised that MW LASS had engaged on behalf of the Councils in the region and it was asked that a copy of this be provided to the committee.

***That the report from the Risk & Assurance Advisor dated 09 April 2025 concerning the Health, Safety, and Wellbeing Management Report (as circulated) be received.***

***Gilmore/Johns***

***Carried***

*The meeting adjourned at 10:56am and resumed at 11:12am.*

## **7.6 Assurance Management Report**

The Audit and Risk Committee considered the report of the Risk and Assurance Advisor dated 9 April 2025 that provided an update on matters relating to assurance.

With regard to quarterly reporting to the Audit and Risk Committee on the Dannevirke Impound Supply monitoring, it was noted that as this was now an imbedded process for the Council, future reports would be made to the Infrastructure, Climate Change and Emergency Management Committee.

The committee noted the positive reduction in unread enquiries in the Revenue Team's inbox, however noted the need to ensure there was plan in place to continue this reduction. It was asked whether any insight could be provided on how many of the outstanding items were follow-ups to a previous enquiry that had not been responded to. In response it was advised that a dedicated staff member had been assigned to this work, however the additional work involved in financial year end preparation required use of some of that resource currently.

It was asked that a better metric be used to report on the number of emails in the Revenue Team inbox, for example the age of an email before it was responded to – number greater than month, number greater than 3 weeks, 2 weeks, 1 week. It was also asked that a timeline for clearing the emails in the Revenue Team inbox be provided, and information on any additional resource required. It was further asked that information be provided on how telephone and physical letter enquiries were being tracked. It was asked that this be reported back to the July meeting of the Audit and Risk Committee.

With regard to item 6.8.2.3, this reported that the recommendation for separate reporting on direct debit customers to provide ongoing assurance that the issues remained under control was complete as of 5 March, however also included a note that a report would be run in August 2025 once all Direct Debits had been

adjusted to ensure all customer payments had been amended. The Group Manager – People, Capability and Customer Experience advised that she would follow up on this matter.

With regards to the debtor management report, it was advised that the most useful information is available after the penalty dates. An example was provided of an another Council that reported quarterly on this topic and provided good, clear information. Information would be provided to the July meeting of the Audit and Risk Committee.

With regard to the proposed workplan, it was noted that a meeting for October had not yet been scheduled, however one would be required in early October prior to the 11 October election date. Officers were to work with the Chairperson to agree a date for an October meeting.

***That the report from the Risk & Assurance Advisor dated 09 April 2025 concerning the Assurance Management Report (as circulated) be received and adopted.***

***That the primary reporting of Dannevirke Impounded Supply dam safety reporting move to the Infrastructure, Climate Change, and Emergency Management Committee with reporting to the Audit and Risk Committee on an 'as required' basis.***

***Peeti-Webber/Wallace***

***Carried***

## **8. Items not on the Agenda**

8.1 Nil

## **9. Public Excluded Items of Business**

***That the public be excluded from the following parts of the proceedings of this meeting, namely:***

### ***Confirmation of Minutes***

***The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.***

<b><i>General subject matter to be considered</i></b>	<b><i>Reason for passing this resolution in relation to each matter</i></b>	<b><i>Ground(s) under section 48(1) for the passing of this resolution</i></b>
<b><i>Confirmation of Minutes</i></b>	<b><i>To protect the safety of the public</i></b>	<b><i>&lt;Section (1)(a)(i)</i></b>

***This resolution is made in reliance on Section 48 (1) (a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:***

***s6(b)        The making available of the information would be likely to endanger the safety of a person.***

***Johns/Franklin***

***Carried***

The meeting went into public excluded session at 11:39am and resumed open session at 11:40am.

There being no further business the Chairperson thanked those present for their attendance and contributions, and declared the meeting closed at 11:40am.

---

Chairperson