



Audit and Risk Committee

Minutes of a meeting of the Audit and Risk Committee held in the Council Chamber, 156 High Street, Dannevirke on Wednesday 8 October 2025 commencing at 9:30am.

1. Welcome and Meeting Opening

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

In Attendance

Mr M Alexander	- Interim Chief Executive
Mrs K Tani	- Group Manager – Strategy and Information
Ms S Lowe	- Group Manager – People, Capability and Customer Engagement
Mr H Featonby	- Group Manager - Operations
Mr S Dunn	- Risk and Assurance Advisor
Ms T McDonald	- Chief Financial Officer
Mr P Wimsett	- Chief Advisor
Mrs S Walshe	- Finance Manager
Mrs B Fowler	- Senior Financial Accountant
Mrs S Anthony	- Democracy Support Officer

2. Welcome and Meeting Opening

Her Worship the Mayor opened the meeting with a karakia

3. Apologies

There were no apologies

4. Public Forum

Nil

5. Notification of Items Not on the Agenda

Nil

6. Declarations of Conflicts of Interest in Relation to this Meeting's Items of Business

Nil

7. Confirmation of Minutes

That the minutes of the Audit and Risk Committee meeting held on 22 July 2025 (as circulated) be confirmed as a true and accurate record of the meeting.

Wallace/Franklin

Carried

8. Reports

8.1 Adoption of the Annual Report 2024/25

The Audit and Risk Committee considered the report from the Senior Financial Accountant dated 22 September 2025 that outlined any changes made to the draft Annual Report 2024/25 since it was last presented. The final draft was recommended for adoption, subject to the correction of any typographical errors or agreed changes with Audit NZ.

A memorandum from Audit New Zealand was circulated, providing an update on the audit status of the 2024/25 audit. While they were unable to attend in person, the memorandum indicated the audit is progressing well, with the first review of the Annual Report showing satisfactory quality and no significant issues.

It was noted that upon receipt of the Three Waters report prior to 31 October 2025, the draft Annual Report will be updated to include relevant commentary.

It was advised that a presentation including vested assets was previously given to the Audit and Risk Committee. A live planning register has been established to record vested assets with estimated values in collaboration with Finance, Planning, and the Tararua Alliance Transport Team. A misinterpretation of the audit plan's "clearly trivial" threshold led to initial under-recognition of vested assets. The threshold of \$95,000 applies to the total value, not individual items. A \$12,000 variance was identified and will be corrected before adoption.

The audit is now in its third week, with auditors focusing on Property, Plant and Equipment (PP&E), journal testing, service performance measures, and revaluations. No issues have been identified that would affect the adoption timeline.

Following discussion, it was agreed that information regarding subsidies and

grants (what is received and how spent) —although not a legal requirement—be included in the Annual Report for transparency. It was advised that the first draft of the Annual Report is already three weeks into development, and any changes requested at this stage will necessitate engagement with the auditors and may involve additional work, which may not be feasible.

The Chair acknowledged the draft Annual Plan as a high-quality report, albeit lengthy, and he highlighted that the summary sections are the most widely read and therefore the most important. He encouraged staff and managers to prepare clear summaries for inclusion in the final report scheduled for adoption on 31 October 2025. It was advised that the timing of the Chief Executive transition be clearly referenced in the Annual Report, and to ensure the Interim Chief Executive will be signing off the balance sheet. This clarification is intended to explain the presence of different names in the document. It was also noted that the Mayor will be updated following the outcome of the election.

A query was raised regarding whether the Annual Report includes achievements alongside financial information. It was confirmed that the report comprises both elements, with a mandatory financial component and highlights from the past year. Concern was expressed about the absence of the District Plan in the draft report, given the substantial cost, extensive community engagement, and significant staff time invested in its development. Members noted that the District Plan is a key element of the growth strategy and should be acknowledged accordingly. It was explained that recent legislative changes have impacted the completion and adoption of the District Plan, making it difficult to report on at this stage. It was suggested that an overall commentary from the Mayor or Chief Executive could reference the District Plan. It was reiterated that the focus of the Annual Report is on celebrating achievements. Members strongly felt that, while not every project should be included, the District Plan—due to its scale and importance—warrants inclusion to ensure transparency for ratepayers. The Chief Financial Officer will consult with the auditors to seek feedback on how this information might be appropriately incorporated into the report.

A concern was raised about the wording on page 26 of the Annual Report under 'Committees with Iwi and Council,' noting that these are operational working groups rather than joint committees. It was agreed that this section requires clearer wording to accurately reflect their nature.

It was noted that a more dynamic approach to collecting feedback and survey data has been introduced, addressing previous issues with accuracy. New measures aim to support more reliable commentary. Members discussed that public misunderstanding can lead to inaccurate responses, and that satisfaction surveys often reflect perception and reputation rather than actual outcomes. It was emphasised that clear communication with the community is essential, and that some measures are outside of Council's control.

Her Worship the Mayor left the meeting at 10:34am and returned at 10:37am.

A concern was raised regarding the current approach to asset insurance. It was suggested that the new Council review this. Members discussed the need to assess risk appetite and consider whether assets may be over-insured

That the report from the Senior Financial Accountant dated 22 September 2025 concerning the Adoption of the Annual Report 2024/25 be received.

That the Audit and Risk Committee recommend to Council:

That the Mayor and Chief Executive be delegated the authority to make any non-substantive changes needed or requested by Audit New Zealand and to sign the Statement of Compliance and Responsibility that is contained within the Annual Report for the year ending 30 June 2025; and

That the Tararua District Council adopt the Annual Report 2024/25 in accordance with Section 98 of the Local Government Act 2002.

Gilmore/Wards

Carried

9. Items not on the Agenda

9.1 Nil

Her Worship the Mayor closed the meeting with a karakia.

There being no further business the Chairperson thanked those present for their attendance and contributions, and declared the meeting closed at 10:55am.

Chairperson