



## **Risk and Assurance Committee**

Minutes of a meeting of the Risk and Assurance Committee held in the Council Chamber, 156 High Street, Dannevirke on Tuesday 17 February 2026 commencing at 1:00pm.

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

Mr P Jones (Chairperson), Mayor S M Gilmore, Crs S M Wards (Deputy Mayor), E F Kennedy, P M Naylor, and S A Wallace.

#### **In Attendance**

Cr C Corlett

Cr P Johns

Mr M Alexander	- Interim Chief Executive
Mrs K Tani	- Group Manager – Strategy and Information
Ms S Lowe	- Group Manager – People, Capability and Customer Engagement
Ms T McDonald	- Chief Financial Officer
Mr H Featonby	- Group Manager – Operations
Mr D Erard	- Alliance Manager
Mr S Dunn	- Risk and Assurance Advisor
Mrs G Anderson	- Health and Safety Coordinator
Mrs S Anthony	- Democracy Support Officer

### **2. Apologies**

Nil

### **3. Public Forum**

Nil

### **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 Risk and Assurance Committee meeting held on 25 November 2025 (as circulated) be confirmed as a true and accurate record of the meeting.*

*Gilmore/Wallace* *Carried*

**7. Reports**

**7.1 Draft Audit New Zealand Report to Management 2024/25**

The Risk and Assurance Committee considered the report from the Finance Manager dated 05 February 2026 that provided an update on the 2024/25 Annual Report audit findings and report to management.

The audit was positive, with only a small number of recommendations to address before the 2026 year-end report.

Sensitive Expenditure Policy is currently under review. The audit was positive, with only a small number of recommendations to address before the 2026 year-end report.

Severance and other employment disclosures - one disclosure lacked the internal controls desired. Recommendation: establish independent general ledger accounts to ensure Finance has full visibility, instead of relying on standalone spreadsheets.

IT system access - strengthening access controls and login permissions. A second review/sign-off for invoices in the accounts payable system is being implemented. This is in the final testing stage and awaiting a software upgrade to improve compliance and internal controls.

Remuneration record keeping - greater transparency is needed within finance folders for audit clarity. HR and Finance processes were not aligned as well as required. These processes are now being cleaned up and made more consistent.

The Assurance recommendations that are reported through to Audit NZ will be visible for sign off and be available to 2026 auditors.

It was noted that four written recommendations and two verbal recommendations were added following the annual report process. These

represent a further level of refinement to strengthen internal controls and procedural improvements, and do not indicate any risks to internal control integrity or data accuracy.

A concern was raised regarding the corruption of a water invoice. This remains under investigation. A system search showed a corruption, this is still sitting with IT to determine the cause and it is believed to be an isolated incident.

***That the report from the Finance Manager dated 05 February 2026 concerning the Draft Audit New Zealand Report to Management 2024/25 (as circulated) be received and adopted.***

***Wallace/Naylor***

***Carried***

## 7.2 Assurance Management Report

The Risk and Assurance Committee considered the report from the Risk and Assurance Advisor dated 13 January 2026 that provided an update on matters relating to Assurance.

It was advised that the water rates issue raised by Audit NZ will be presented in a report which will come to the committee once complete.

A concern was raised regarding the adjustment of due dates. While it is positive that the system records these changes, it was requested that all dates be reviewed and updated to realistic timeframes. This will enable effective monitoring of project slippage and allow for deeper analysis of the underlying causes. The committee has a responsibility to oversee and monitor any such slippage. It was advised that there is commentary in the report to indicate reasons for date adjustments. Staff were reminded to consider the consequences of the date slippage as it arises and clear reasoning.

The slippage in the Direct Debit Error process timelines was noted as a concern due to the significant impact of the original error. It was requested that the report include additional narrative to provide greater assurance to the community regarding the actions taken. Recruitment to fully resource this process has not yet been completed, and building resilience and succession coverage is essential to ensure ongoing stability. As the recruitment process is being finalised, two temporary contractors currently provide support in the interim. It was requested that all aspects of the process covered are explicitly reported, including the level of risk and that the only outstanding matter is the completion of permanent recruitment.

The Chief Financial Officer outlined the full range of tasks undertaken by staff in this area, noting that responsibilities extend well beyond managing the direct debit process. The function has been under-resourced, creating greater potential for error and impacting staff morale. While additional resourcing has been approved and contractors are in place, the next steps are to rebuild confidence, strengthen processes, and ensure staffing levels are aligned with operational

demands. Recruitment remains challenging due to the competitive market for suitably qualified candidates. It was noted that any future consideration of shared services will require a fully scoped business case, with a clear focus on affordability and operational efficiency.

***That the report from the Risk & Assurance Advisor dated 13 January 2026 concerning the Assurance Management Report (as circulated) be received and adopted.***

***Wards/Naylor***

***Carried***

### 7.3 Risk Management Report

The Risk and Assurance Committee considered the report from the Risk and Assurance Advisor dated 13 January 2026 that provided an update on matters relating to risk management.

It was noted that in Section 3, risks related to upcoming legislative changes have been consolidated. The next meeting will include a report informed by the Taituarā legislation tracker to support ongoing monitoring. Members were also reminded that terminology within the tables is not consistent across all tables and to remain mindful of this when reviewing the content.

A concern was raised around length of time Iwi and Māori Partnerships has been left to lie overdue.

It was noted that the Direction – political/governance/legislative – is no longer a risk, as the new water entity has now been approved by the government. This risk can therefore be closed. Water reform is now considered low risk, and the institutional arrangements are expected to follow accordingly.

The Chair noted that the expectations for the LTP will be fundamentally different from previous years, and the project needs to reflect this shift. There must be a solid understanding of rates capping and the formula that applies. The ‘Simplifying Local Government’ proposal remains a work in progress, but Council will need to stay agile.

Regarding the transition of Three Waters, the CCO will be accountable from day one. While the CCO will hold responsibility for revenue, it may choose to utilise councils’ rating powers. Charges will be issued as a bill rather than a rate. If the CCO requests councils to bill on its behalf, this arrangement is limited to a five-year period. A competent CCO Board would be expected to prioritise moving toward fully self-managing the service.

***That the report from the Risk & Assurance Advisor dated 13 January 2026 concerning the Risk Management Report (as circulated) be received and adopted.***

***Wallace/Gilmore***

***Carried***

#### 7.4 **Risk Appetite**

The Risk and Assurance Committee considered the report from the Risk and Assurance Advisor dated 03 February 2026 that provided an update on matters relating to risk management.

Feedback was sought on whether the existing framework remains appropriate or requires adjustment. It was originally developed by the previous Elected Members and the Executive Leadership Team.

There was a general view that the framework is in a reasonable place and should be used as a tool to guide the LTP process—applying it as a lens, testing assumptions, and making adjustments as the process progresses. It provides a useful measure for direction and supports decision-making.

Community relations are currently moderate; while not risk-averse, recent improvements in social media communication have strengthened this area. This continues to evolve, and further developments are expected.

***That the report from the Risk & Assurance Advisor dated 03 February 2026 concerning the Risk Appetite (as circulated) be received and adopted.***

***Gilmore/Wards***

***Carried***

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

The Risk and Assurance Committee considered the report from the Health and Safety Coordinator dated 13 January 2026 that provided an update on health, safety, and wellbeing matters.

It was noted that for SafePlus Assessment item 8.3, the timeframe for developments has been updated to July 2026.

A concern was raised regarding chlorine gas vapour at Pahiatua. It was advised that this risk is actively being managed and is reviewed annually due to its high-risk nature.

With respect to contractor inductions, consistency across all sites remains a priority, and the recording process is a particular focus. Full standardisation has not yet been achieved. Potential indicators to strengthen assurance could include tracking the number of contractors who pass or fail inductions, providing clearer visibility of contractor compliance.

***That the report from the Health and Safety Coordinator dated 13 January 2026 concerning the Health, Safety, and Wellbeing Management Report (as circulated) be received.***

***Jones/Naylor***

***Carried***

7.6 **Health, Safety & Wellbeing Policy**

The Risk and Assurance Committee considered the report from the Health and Safety Coordinator dated 03 February 2026 that provided the recently updated operational Health, Safety, & Wellbeing Policy for information.

***That the report from the Health and Safety Coordinator dated 03 February 2026 concerning the Health, Safety & Wellbeing Policy (as circulated) be received.***

***Gilmore/Naylor***

***Carried***

7.7 **Statutory Delegations**

The Risk and Assurance Committee considered the report from the Manager - Democracy Services dated 28 January 2026 that provided information on the Council’s Statutory Delegations Register and Policy, and the current review process.

A request was made for a copy of the current delegations register to be emailed to all elected members and the Chair following the meeting, to support the report and provide clearer understanding.

***That the report from the Manager - Democracy Services dated 28 January 2026 concerning the Statutory Delegations be received.***

***That the Risk and Assurance Committee note the review being undertaken of the Council’s Statutory Delegations Register and Policy, and the process to be followed for review prior to consideration by the Tararua District Council.***

***Wallace/Jones***

***Carried***

8. **Public Excluded Items of Business**

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

***Confirmation of Minutes***

***Tararua Alliance Quarterly Report***

***Insurance Update***

***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</i></b>
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		<i>resolution</i>
<i>Insurance Update</i>	<i>To protect commercial and industrial negotiations</i>	<i>&lt;Section (1)(a)(i)</i>
<i>Tararua Alliance Quarterly Report</i>	<i>To protect commercial activities</i>	<i>&lt;Section (1)(a)(i)</i>
<i>Confirmation of Minutes</i>	<i>To protect the privacy of natural persons</i>	<i>&lt;Section (1)(a)(i)</i>

*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:*

- s7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.*
- s7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.*
- s7(2)(i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).*

*Jones/Gilmore*

*Carried*

The meeting went into public excluded session at 2:28pm and resumed open session at 3:13pm.

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

9.1 Nil

There being no further business the Chairperson thanked those present for their attendance and contributions, and declared the meeting closed at 3:13pm.