



## 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 21 April 2026 commencing at 9:31 am.

### 1. Welcome and Meeting Opening

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

#### In Attendance

Mr R Verma - PwC Corporate Treasury and Debt Advisory

Cr C Corlett (via Teams)

Mr C Haines - 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 S Dunn - Risk and Assurance Advisor  
Mrs G Anderson - Health and Safety Coordinator  
Mrs S Walshe - Finance and Revenue Manager  
Mrs B Fowler - Senior Financial Business Partner  
Mr D Erard - Tararua Alliance Manager  
Ms S Boyt - Performance Manager  
Mrs A Dunn - Manager – Democracy Services

### 2. Apologies

2.1 ***That the apology from Cr S A Wallace be accepted and leave of absence granted for the meeting.***

***Gilmore/Naylor***

***Carried***

### **3. Public Forum**

3.1 There were no requests for public forum.

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

4.1 Nil

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

5.1 Nil

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

6.1 *That the minutes of the Risk and Assurance Committee meeting held on 17 February 2026 (as circulated) be confirmed as a true and accurate record of the meeting.*

*Naylor/Kennedy*

*Carried*

### **7. Reports**

#### **7.1 Draft Treasury Risk Management Policy**

The Risk and Assurance Committee considered the report of the Finance and Revenue Manager dated 10 April 2026 that sought review and endorsement of the updated Treasury Risk Management Policy (including Liability Management and Investment Policies), and recommendation to Council for approval.

The Manager Finance and Revenue introduced Raj Verma, Associate Director of PwC Corporate Treasury and Debt Advisory who was in attendance to talk through the Treasury Risk Policy.

Mr Verma gave a presentation that outlined the relevant statutory framework, under sections 14 and 101 of the Local Government Act 2002, and treasury management objectives and responsibilities. He provided an overview of some of the elements included within the Treasury Management Policy. He noted that the changes proposed for the policy were in the Debt Funding and Liquidity area of the policy. He spoke about the strategies for funding and liquidity management. In response to a question about what mechanisms and tools were used to assess the risks, Mr Verma advised that part of their role was to be aware of what the markets were doing, to have a view on what they think interest rates and margins will be doing, and also prudent financial risk management element where you are looking to take some of the risk off the table.

He also spoke about interest rate risk management being more focussed on medium to longer term forecasts and having an interest rate framework in place. He noted long term debt forecast was a crucial input to this. This is managed by using fixed rate debt through the Local Government Funding Agency (LGFA) or interest rate swaps. He provided context by providing an example of impact on borrowing costs if there was no framework in place.

With regard to the Treasury Policy review, this policy was last reviewed in 2023. The purpose of the review is to ensure the policy remains fit for purpose given Local Water Done Well reforms, uncertainty on projected debt levels, impact on funding and interest rate risk management, and no permanent change to Council's risk appetite.

In response to a question related to the debt associated with three waters and whether that debt was tied to particular assets, the Finance and Revenue Manager noted that borrowings were disclosed in Council's Annual Report and noted that they were still going through the process of what debt transfer mechanisms would look like.

The committee discussed the two proposed changes to add to section 6.1.3 of the Policy.

*The Mayor left the meeting at 9:55am.*

Clarification was sought around the 90 days period specified in section 6.1.3 for seeking approval for non-compliance, noting that the preference would be to forecast if non-compliance was likely to occur and proactively report this through the Risk and Assurance Committee for assessment and recommendation to Council. The committee sought amendment to the wording to be clear that officers would not wait to the end of the 90 days to seek approval.

With regard to section 6.2.2 Liquidity / Funding risk control limits, the committee noted the two bullet points added to take into account the uncertainty caused by the Local Water Done Well reforms. The committee asked that the word "restrospectively" be removed to give more comfort.

It was also asked that the formatting of section 4.6 of the Policy be checked with regard to Council Controlled Organisations and Council Controlled Trading Organisations to provide clarity.

In response to a question about the meaning of the clause in the Policy regarding the Water Services company, the Finance and Revenue Manager advised that all Councils within the Waiti partnership would need to become a guarantor in that partnership, and this clause was intended to allow for this.

***That the report from the Finance and Revenue Manager dated 10 April 2026 concerning the Draft Treasury Risk Management Policy be received.***

***That the Risk and Assurance Committee Reviews the updated Draft Treasury***

***Risk Management Policy April 2026:***

- ***Notes the reform-related uncertainty impacting Council's debt forecasts***
- ***Endorses the Policy as providing an appropriate framework for managing treasury risk during the Local Water Done Well transition***

***That the Risk and Assurance Committee recommends the Treasury Risk Management Policy, subject to minor amendments, to Council for adoption.***

***Wards/Naylor***

***Carried***

**7.2 2026 Audit Fee Proposal - Audit New Zealand**

The Risk and Assurance Committee considered the report of the Finance and Revenue Manager dated 10 April 2026 that sought the Risk and Assurance Committee's endorsement of the Audit New Zealand Audit Proposal Letter for the audit of the Tararua District Council for the financial year ending 30 June 2026, and recommendation to Council that the Mayor be authorised to sign the Audit Proposal Letter on Council's behalf.

The Finance and Revenue Manager advised that the Audit Director was unable to attend the meeting today. In speaking to the report she noted that the proposal was for one year rather than three years, due to the current uncertainty in the sector. The meeting noted a correction required in the proposal as it referred to being for the next three audits when it related to one audit.

The Chairperson noted an upcoming reorganisation for the Office of the Auditor General and Audit New Zealand to bring them into the one organisation.

***That the report from the Finance and Revenue Manager dated 10 April 2026 concerning the 2026 Audit Fee Proposal - Audit New Zealand be received.***

***That the Risk and Assurance Committee recommends:***

***That the Tararua District Council authorise the Mayor to sign the 2026 Audit Fee Proposal from Audit New Zealand on behalf of the Tararua District Council.***

***Naylor/Kennedy***

***Carried***

**7.3 Audit New Zealand Letter for Debenture Trust Deed Engagement and Audit Plan**

The Risk and Assurance Committee considered the report of the Senior Business Partner dated 2 April 2026 that sought review of the Audit New Zealand's Debenture Trust Deed Engagement and Audit Plan letter for recommendation to Council for adoption.

The committee noted that the engagement covered a three year period from

June 2026 to June 2028.

***That the report from the Senior Finance Business Partner dated 02 April 2026 concerning the Audit New Zealand Letter for Debenture Trust Deed Engagement and Audit Plan be received, and***

***That the Risk and Assurance Committee recommends:***

***That the Tararua District Council authorises the Mayor to sign the Audit Engagement Letter on behalf of the Tararua District Council.***

***Jones/Naylor***

***Carried***

#### **7.4 Water Rates Fees and Charges Billing Correction**

The Risk and Assurance Committee considered the report of the Chief Financial Officer dated 10 April 2026 that provided the committee with a summary of the background to the matter, the outcome of the investigation undertaken, and confirmation that all affected ratepayers had been communicated with and all accounts financially rectified.

In speaking to the report, the Chief Financial Officer advised that an audit review that found a discrepancy related to a rounding that meant the billing of the water rates did not match the published fees.

In response to a question about what changes and processes had been implemented to ensure this would not reoccur, it was advised that going forward the proposed Annual Plan, Rates Resolution, and Fees and Charges document would be simultaneously reviewed by the Manager Finance and Revenue, the Rates Technical Specialist and the Chief Financial Officer to cross check the detail. They have also made changes to the timing for receipt of information to reduce the likelihood of last minute changes being required which introduces an element of risk.

It was further noted that Audit New Zealand would be reviewing Council's proposed rates resolution prior to it coming to Council.

*The Mayor returned to the meeting at 10:23am.*

It was noted that water billing had been running correctly since making the corrections.

***That the report from the Chief Financial Officer dated 10 April 2026 concerning the Water rates fees and charges billing correction be received.***

***Naylor/Kennedy***

***Carried***

#### **7.5 Tararua Alliance Quarterly Report**

The Risk and Assurance Committee considered the report of the Tararua Alliance Manager dated 11 April 2026 that provided an update on the performance framework, and health, safety and wellbeing information for the Tararua Alliance.

In speaking to the report, the Tararua Alliance Manager noted that a meeting of the Principals Group was held on 10 April and an update on that meeting would be provided to the next meeting of the Risk and Assurance Committee. He advised that they had discussed the increase in fuel costs at that meeting and would be holding their annual strategy meeting in June.

The committee acknowledged the achievement of ISO 55001 certification for asset management, noting this was a great piece of work and questioned how this could be promoted in a way the community could understand the value added. In response the Tararua Alliance Manager noted they were talking about how they could show tangible outcomes to the community and would provide an update to the next meeting. With regard to increasing fuel prices, he noted that the key was in how to respond to the changes in Government's fuel plan levels. An example could be pausing work on renewals and focus on emergency works. He noted the timing coincided with the end of their construction season.

During discussion the committee noted the need to work on closing the loop from a complaint (CRM) raised by a customer to provide them with response. It was noted that this was wider than just the Tararua Alliance, and it would be reputationally enhancing to find a way to close that gap.

In response the Tararua Alliance Manager noted they were looking at how they respond to CRMs and the information to share with the community on the responses made.

***That the report from the Tararua Alliance Manager dated 11 April 2026 concerning the Tararua Alliance Quarterly Report (as circulated) be received and adopted.***

***That the Risk and Assurance Committee congratulates the Tararua Alliance on their accreditation under ISO 55001.***

***Gilmore/Naylor***

***Carried***

## 7.6 Risk Management Report

The Risk and Assurance Committee considered the report of the Risk and Assurance Advisor dated 1 April 2026 that provide an update on matters related to risk management.

In response to a question about the current cost of the increased fuel costs to Council, the Chief Executive advised that Council's fuel costs had approximately doubled to about \$20,000 per month. He advised that the Executive Team were receiving weekly reporting on fuel consumption and how this was tracking against

budget.

He also noted that the impact was not just from the direct cost of fuel, but there were increased costs starting to be passed on. As an example the cost of pipe would be increasing. It was noted that workflows were being adjusted to ensure works remained within the budget available.

With regard to the backlog of legislation waiting to be passed by the Government, the Chairperson noted his concern that there would be a large amount of legislation being rushed through the house in August. He noted that in general rushed legislation tended to be poor legislation.

Concerns were raised that some of the risks include financial risk when we are coming into a rates capping environment and being able to deliver on some of the changes that may come through. Some of the legislation may move through the process quite quickly and some changes may be introduced through urgency.

***That the report from the Risk & Assurance Advisor dated 01 April 2026 concerning the Risk Management Report (as circulated) be received and adopted.***

***Naylor/Gilmore***

***Carried***

## **7.7 Assurance Management Report**

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

In speaking to the report the Risk and Assurance Advisor highlighted the amount of closed out actions that had been able to be closed out this quarter.

The Chairperson sought confirmation from the Chief Executive that he had sufficient resources to deliver on the dates noted within the report.

The Chairperson also noted that if due dates were moved out, for example due to a weather event, could the report state whether there was any risk in moving the date out.

The Chief Executive noted the level of work, with new legislation coming, transferring assets to the water company, the Long Term Plan process and the need for making assumptions due to no detail for what will be expected of Council. He will be keeping an eye on this and noted the Council would need to be nimble to adjust to any curve balls that may come. The Chairperson noted that due to the tight timeframe for Local Water Done Well this impacts on time and capacity with reduces Council's ability to be innovative.

***That the report from the Risk & Assurance Advisor dated 01 April 2026 concerning the Assurance Management Report (as circulated) be received and***

*adopted.*

*Naylor/Kennedy*

*Carried*

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

The Risk and Assurance Committee considered the report of the Health and Safety Coordinator dated 2 April 2026 that provided an update on health, safety and wellbeing matters, including critical risk management, actions taken to strengthen controls, contractor management and incident overview.

The Health and Safety Coordinator provided an update on the contractor audits, noting that twenty contractors were audited with all passing the audit.

During discussion clarification was sought on the process for sign off of controls by managers, and steps that were in place to ensure managers sign off the controls. In response it was advised that the control register was managed through software, with regular checks on progress and prompts back to the owner of the risk to follow up.

Confirmation was also sought that safe driving was being enforced, noting the ERoad system provided reports on staff with low safety scores in their driving. In response it was advised that systems were in place and a process followed. An escalation framework was being finalised for people leaders to use as a guide. It was further advised that since starting to put more focus onto safe driving behaviour there had been a reduction in over-speeds and the safety star average had improved across the organisation.

***That the report from the Health and Safety Coordinator dated 02 April 2026 concerning the Health, Safety and Wellbeing Management Report (as circulated) be received.***

*Jones/Gilmore*

*Carried*

## 7.9 **Health, Safety and Wellbeing Due Diligence Report**

The Risk and Assurance Committee considered the report of the Health and Safety Coordinator dated 7 April 2026 that provided an update on elected members due diligence activities.

The Group Manager – People, Capability and Customer Experienced highlighted a formatting issue in section 4 of the report, and provided clarification of the intended wording of that part of the report which should have showed as follows:

Health and Safety Due Diligence Plan		
Policy & Planning	Due Date	Status
Endorse Due Diligence Plan and confirm activities	November 2025	
Review and endorse the H&S Governance Charter	April 2026-July 2026	
Annual Health and Safety Activity Plan for Continual Improvement	November 2025	
	October 2026	
	October 2027	
Endorsement/Monitoring of the H&S Strategy	April 2026	
	April 2027	
	April 2028	
Delivery		
H&S Induction for Elected Members	February 2026	
Health & Safety Governance Training (Ākōna)	April 2026-July 2026	
Monitoring		
Risk Review Site Visits	6 monthly	
Health, Safety and Wellbeing Management Reporting	All months reported to the Committee	
Review		
SafePlus Assessment report to RAC Committee	April 2026-July 2026	
	April 2028	

#### 4. Health, Safety & Wellbeing Strategy

- 4.1 The Health, Safety and Wellbeing Strategy 2026–2029 (the Strategy, attached) is a key component of the Due Diligence Plan, providing the overarching framework that connects governance expectations with operational delivery. It supports the Committee’s role in verifying that appropriate systems, controls, and continuous improvement mechanisms are in place.

The Chairperson requested that if an item was not able to be completed, that officers report on the reasons for this.

In discussion of the draft Health, Safety and Wellbeing Strategy, with regard to the section on “Supporting a Fair and Just Culture” the importance of monitoring driving behaviour and ensuring this was followed up, managed and there was accountability was stressed.

Overall comments regarding the strategy noted that it included everything and was a great piece of work

***That the report from the Health and Safety Coordinator dated 07 April 2026 concerning the Health, Safety and Wellbeing Due Diligence Report (as circulated) be received, and***

***That the Risk and Assurance Committee provide feedback on and endorse the Health, Safety & Wellbeing Strategy, as set out in attachment 1 “DRAFT – Tararua District Council – Health, Safety & Wellbeing Strategy – 2026”***

***Wards/Naylor***

***Carried***

#### 7.10 Delegations - Financial Delegations and Controls

The Risk and Assurance Committee considered the report of the Manager – Democracy Services dated 31 March 2026 that provided information on the

controls, checks and balances in place for financial delegations to Council officers, and provided a copy of the current financial delegations.

Concerns were raised about the current financial delegations, specifically the delegation of authority for three senior roles to approve expenditure exceeding what had been provided for in the Long Term Plan or relevant Annual Plan. The wording needed to be tightened to ensure there was clarity that there was no open ended ability to expend more than had been approved by the Council. If there was to be a tolerance for over-expenditure within a small tolerance, which should be specified, any approval to spend more than budgeted needed to provide clarity on where the additional funding would be taken from. The committee asked that the financial delegations be reviewed in consultation with the Chairperson of the Risk and Assurance Committee and a revised proposal for financial delegation be provided to the May 2026 Council meeting.

***That the report from the Manager - Democracy Services dated 31 March 2026 concerning the Delegations - Financial Delegations and Controls be received.***

***That the Risk and Assurance Committee request that the Chief Executive review the financial delegations in consultation with the Chairperson of the Risk and Assurance Committee and present a revised proposal to the May Council meeting.***

***Gilmore/Wallace***

***Carried***

#### **7.11 Breach of Privacy Act 2020**

The Risk and Assurance Committee considered the report of the Manager – Democracy Services dated 24 March 2026 that advised of two recent Privacy Act 2020 breaches, the actions taken in response to those breaches, and the outcome from assessing the breaches using the Office of the Privacy Commissioner’s online tool. Neither of the two breaches reached the threshold of being a notifiable breach.

***That the report from the Manager - Democracy Services dated 24 March 2026 concerning the Breach of Privacy Act 2020 be received.***

***Naylor/Kennedy***

***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 commercial activities</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:***

***s7(2)(h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.***

***Gilmore/Naylor***

***Carried***

The meeting went into public excluded session at 11:22am and resumed open session at 11:23am.

There being no further business the Chairperson thanked those present for their attendance and contributions, and declared the meeting closed at 11:23am.