

**I give notice that
a Risk & Assurance Committee Meeting will be held on:**

Date:	Friday, 7 July 2023
Time:	9.30am
Location:	Council Chamber 107 te Heuheu Street Taupō

AGENDA

MEMBERSHIP

Chairperson Cr Bruce Robertson
Deputy Chairperson Cr Danny Loughlin

Members Mr Anthony Byett
Cr Anna Park
Mayor David Trewavas
Cr John Williamson
Cr Rachel Shepherd
Cr Kevin Taylor

Quorum 4

Julie Gardyne
Chief Executive Officer

Order Of Business

1	Karakia	
2	Whakapāha Apologies	
3	Ngā Whakapānga Tukituki Conflicts of Interest	
4	Whakamanatanga O Ngā Meneti Confirmation of Minutes	
4.1	Risk & Assurance Committee Meeting - 19 May 2023	3
5	Ngā Ripoata Reports	
5.1	Report to Council on the Audit for the year ended 30 June 2022.....	4
5.2	2023 Annual Report Audit Plan and Fees Structure.....	14
5.3	Poolsafe Audit - Taupō and Tūrangi Pool Complexes.....	15
5.4	Long-term Plan 2024-34 Update and Risk Report.....	17
5.5	Health, Safety and Wellbeing Report.....	20
5.6	Monthly Performance Report May 2023	27
5.7	Adoption of Updated Protected Disclosure (Whistleblower) Policy	28
5.8	Confirmation of Top Risks.....	31
5.9	Chief Executive Update to Risk & Assurance Committee - Current Risks	32
6	Ngā Kōrero Tūmataiti Confidential Business	
6.1	Confirmation of Confidential Portion of Risk & Assurance Committee Minutes - 19 May 2023	33
6.2	Litigation Update	33

4.1 RISK & ASSURANCE COMMITTEE MEETING - 19 MAY 2023

Author: Shainey James, Governance Quality Manager

Authorised by: Nigel McAdie, Legal, Risk and Governance Manager

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the minutes of the Risk & Assurance Committee meeting held on Friday 19 May 2023 be confirmed as a true and correct record.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Risk & Assurance Committee Meeting Minutes - 19 May 2023

5.1 REPORT TO COUNCIL ON THE AUDIT FOR THE YEAR ENDED 30 JUNE 2022

Author: Jeanette Paenga, Finance Manager

Authorised by: Sarah Matthews, General Manager Finance and Environment

TE PŪTAKE | PURPOSE

To present the final Report to Council on the audit for the year ended June 2022 which details audit recommendations, the most recent audit status, and the priority of the recommendations (from audit).

WHAKARĀPOPOTOTANGA MATUA | EXECUTIVE SUMMARY

At the completion of Council's interim and annual report audits, Audit New Zealand prepare a Report to Council on the audit which outlines any outstanding recommendations and new recommendations identified as part of the most recent audit.

Council officers have responded to the six new recommendations as outlined in section 4 of the report.

At the commencement of the audit there were 26 outstanding recommendations, these have reduced to 16 (2 items were merged into one) and there are 6 new recommendations. The status of these previous recommendations is outlined in Appendix 1 of the report.

Priority	Priority			
	Urgent	Necessary	Beneficial	Total
Open	1	12	3	16
Implemented or closed	1	6	2	9
Total	2	18	5	25

Of the six new recommendations five are noted as necessary and one as beneficial. With these new recommendations our total increases to 22.

A summary of all open audit management report matters is as follows:

Recommendations from 2014/15

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Project management</p> <p>We recommend improvements are made with regards to:</p> <ul style="list-style-type: none"> • Further refinement to the Strategic Plan. • Refinement of strategic mapping matching projects to benefits, outcome, and strategy. • The use of business cases is currently a work in progress. Currently, business cases are typically only used for large projects, however 	<p>District Council in the process of recruiting staff to support the development of this process.</p> <p>Matter progressing.</p>	Necessary	<p>A Senior Business Analyst has been appointed to support the development of more detailed business cases for strategic projects. As we are currently completing Asset Management Plans for the business, business cases are being prepared to support the LTP.</p> <p>Matter progressing.</p>

the expectation would be that there are business cases for all projects.			
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Recommendations from 2015/16

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Procurement and contract management</p> <p>The procurement guidelines and practices are updated to include the following points:</p> <ul style="list-style-type: none"> include guidance on the use of Contract Management Plans, what to do when contract performance obligations and expectations are not being met; and a programme of review of procurement contracts - currently this is limited to an ad-hoc approach to reviewing individual procurements. Clear guidance on what action is to be taken in response to findings. 	<p>We note that Council has implemented a new contract management module within Ci Anywhere, however management are still embedding the processes and controls to ensure consistent usage of the tool.</p> <p>Matter progressing.</p>	<p>Beneficial</p>	<p>How we manage our Contract Management is discussed in our Procurement Strategy.</p> <p>The programme of review of current Contracts is done through the Contract Management module within ci-anywhere. There is an adjustable “dates” field to record when such meetings are due, and you can upload any notes taken at such meetings within this tool.</p> <p>As this is a new system we are still bedding in the processes & behaviours and are working towards consistent use of the tool where appropriate</p> <p>Matter progressing.</p>

Recommendations from 2016/17

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Service request/work order system</p> <p>The District Council improves its service request system to ensure that data is valid and complete.</p>	<p>The District Council has not transitioned to the new performance development system within the new Ci Anywhere module</p> <p>Matter progressing.</p>	<p>Necessary</p>	<p>Implementation still progressing, was delayed due to COVID and resourcing challenges.</p> <p>Matter progressing expected delivery late 2024</p>
<p>Centralised contracts register</p> <p>A centralised contract register is implemented that includes the total contract value let, start date, expiry date and any additional information that may assist with contract renewal decisions.</p>	<p>No centralised contracts A Centralised contracts register implemented however Council continues to develop its usage and ensure consistency across all contracts in the register.</p> <p>Matter progressing.</p>	<p>Beneficial</p>	<p>There has been a renewed focus on the Contracts module in the last month with the aim of improving the scope, business processes and procedures.</p> <p>Matter progressing.</p>

Recommendations from 2017/18

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Water supply and wastewater median</p>	<p>Council is still working to resolve this issue. We note</p>	<p>Urgent</p>	<p>The Downer system has never been able to integrate to our</p>

<p>resolution times</p> <p>Enhance controls and review processes to ensure that attendance and resolution times are recorded accurately in their customer service request system.</p>	<p>progress has been made to mitigate this issue</p> <p>Despite this, in the current year we continued to identify similar issues such as zero-minute response & resolution times.</p> <p>This matter was still outstanding for the financial period and was a contributing factor to issuing a modified opinion.</p> <p>We will follow up any progress made during our 2023 audit.</p> <p>Matter outstanding.</p>		<p>system, they send us a report which shows the resolution time which is recorded in the resolution comments in Asset finda. As with any manual system when time pressures come this data entry can sometimes fall away.</p> <p>With the impending transfer of three waters operation to Entity B there are no plans to integrate the Downer system with Assetfinda</p> <p>No further action is proposed.</p>
<p>Electronic purchase order system</p> <p>The following recommendations were made:</p> <ul style="list-style-type: none"> Options are investigated to implement further electronic controls to ensure segregation of duties. A check is completed on a regular basis to identify instances where purchase orders are split. Consideration is given for the procurement policy to include the requirement for an underlying contract for all suppliers with an annual spend greater than a set amount. 	<p>We noted that during the year, Council have transitioned to Ci Anywhere we noted the new system provides remarkable improvements on the old system.</p> <p>Matter closed.</p>	Urgent	Matter closed

Recommendations from 2018/19

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Formalise information system/information technology change management procedures</p> <p>Requests for program changes, system changes and maintenance are standardised, logged, approved, documented and subject to formal change management procedures.</p>	<p>Policy and process now in place.</p> <p>Matter closed.</p>	Necessary	Matter closed.
<p>Develop and test organisational business</p>	<p>Due to resource constraints and the impacts of COVID-19 the development and</p>	Necessary	<p>The Risk and Assurance Committee adopted a Business Continuity Policy and</p>

<p>continuity (BCP)</p> <p>Develop and test organisational business continuity plans with each of its departments to ensure that services continue to be provided after an event.</p>	<p>testing of the BCP plan has been delayed</p> <p>Matter outstanding.</p>		<p>Framework in June 2020 to address a lack of a documented policy and framework for business continuity and resilience planning. A review of Business Continuity Plans for Wastewater and Water Supplies followed, with specific pandemic BCPs being developed as required during the Covid outbreak. It is expected that business continuity and resilience planning will be further advanced this financial year.</p> <p>Matter progressing.</p>
<p>Bribery and corruption</p> <p>Consideration is given to the suggested Policy and practice improvements relating to bribery and corruption.</p>	<p>We have reviewed the new Fraud Policy adopted in 2022.</p> <p>We found the provisions of the policy covers off the weaknesses previously noted in the past.</p> <p>Matter closed.</p>	Beneficial	<p>Matter closed.</p>

Recommendations from 2019/20

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Water supply and wastewater median resolution times</p> <p>Enhance controls and review processes to ensure that attendance and resolution times are recorded accurately in their customer service request system.</p>	<p>Merged with similar item in 2015/16</p>	Urgent	<p>Water & wastewater issue merged into one</p>
<p>Review of payroll masterfile changes</p> <p>Payroll masterfile maintenance reports are independently reviewed by individuals who are unable to make changes in the payroll system.</p>	<p>Payroll masterfile maintenance reports are reviewed by individuals who are able to make changes in the payroll system.</p> <p>Matter outstanding.</p>	Necessary	<p>For rate changes and bank account changes there are two checks in the process by the person who enters it, and a second person checks the input and a record is kept of who entered and who checked.</p> <p>Following that we have a report that we use which is cross checked back to other payroll information, by a person that has not run the pay that is being checked. This is done prior to the pay being finalised.</p> <p>It is not possible to have an independent person from</p>

			<p>payroll checking the report as they would need to have access to payroll to check the information and read through all payroll info for the individual to ascertain what has been changed or if any changes have been made.</p> <p>We will go back to the drawing board with this matter with the aim for a resolution by June 2024 audit.</p> <p>Matter Progressing</p>
<p>Completeness of valuations</p> <p>All assets within a class are subject to periodic revaluation in accordance with the requirements of PBE IPSAS 17.</p>	<p>No significant completeness concerns were noted for the Land and Buildings revaluation in the 2022 audit.</p> <p>Matter closed.</p>	Necessary	Matter closed.
<p>Valuer's recommended improvements – roading assets</p> <p>Review WSPs' recommendations and consider implementing these improvements to the overall completeness and accuracy of data used for valuations.</p> <ul style="list-style-type: none"> • consider running future valuations within the RAMM asset register using the RAMM Valuation Module; • where culvert components are partly wooden, identify these components separately from other materials to give more accuracy to culvert remaining lives; • continue to maintain and develop the asset component register, obtain and utilise information on construction and renewal dates where available to improve the reliability of the valuation; • assessment of the condition information to be provided when it is available to improve expected and remaining lives of assets, as well as the accuracy of valuation; and • continue to update construction costs to provide up to date information for future valuation updates. 	<p>The matter remains open until such time as an updated roading valuation is performed.</p> <p>Matter outstanding.</p>	Necessary	<p>We will be considering running our next valuation from RAMM.</p> <p>To do this we will need to update condition information and construction costs prior to using RAMM for valuation purposes.</p> <p>We have now signed up to Co-lab SAMS contract (Structure Asset Management Services) so inspections of bridges and culverts and retaining walls are included (general inspections done every 2 years) and assessments/data collection are now consistent with other TLAs. It is understood general inspections will include any change in materials and documented.</p> <p>We have started to undertake high speed data (HSD) of our network to improve our condition assessment of the pavement. The information from these surveys is uploaded RAMM and can be used to perform a forward works programme, undertake an asset valuation, plan maintenance activities on the network etc.</p> <p>Matter progressing.</p>

<p>Approval of journals</p> <p>Journals are independently reviewed before they are posted.</p>	<p>We noted that with the implementation of TechOne automatic workflow requests are raised when a Journal requires approval, we also noted the system stops users from posting their own journals and requires approval prior to posting.</p> <p>Matter closed.</p>	<p>Necessary</p>	<p>Matter closed.</p>
<p>Long service leave calculation</p> <p>Implement a reporting function within the payroll system to generate data to be able to confirm the long service leave calculation.</p>	<p>A reporting function within the payroll system has not been implemented to generate the data to enable confirmation of the actuarial long service leave calculation.</p> <p>Matter outstanding.</p>	<p>Beneficial</p>	<p>The calculation is run outside payroll by a predefined system calculation process. We will investigate if there is a system logfile we can access which shows the calculation.</p> <p>Matter progressing</p>

Recommendations from 2020/21

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Implement a policy regarding capitalisation of internally generated cost</p> <p>We recommend the District Council incorporates a formal capitalisation policy to provide clear guidance on the circumstances where internally generated employee costs can be capitalised</p>	<ul style="list-style-type: none"> We understand the District Council has not yet implemented a policy; management is in the process of drafting a policy for financial year 2023. <p>Matter progressing</p>	<p>Necessary</p>	<p>Management plans to implement a management policy in respect of capitalised staff time before the end of the 2022/23 financial year.</p> <p>Matter progressing</p>
<p>Asset capitalisation process</p> <p>The District Council does not have a formalised process in place for the communication between the asset engineers and the finance team for the capitalisation of significant capital projects from work in progress to commissioned assets. We also recommend assets are capitalised timely, based on when the asset is entered into service.</p>	<p>We continue to note that District Council has not implemented a formalised process around asset capitalisations.</p> <p>Matter outstanding.</p>	<p>Necessary</p>	<p>Our asset management team has documented their procedures relating to what they do at the end of the financial year. With significant projects we have to be quite flexible and be able to understand the contract and what is involved, we need to get better at the beginning of the contract process with our documentation.</p> <p>Matter progressing.</p>
<p>Risk register</p> <p>Ensure the risk register is refreshed and going forward regularly updated to reflect evolution of risks and mitigations.</p>	<p>We obtained the updated Risk Register which was approved by Council in 2022.</p> <p>Matter closed.</p>	<p>Necessary</p>	<p>Matter closed.</p>
<p>Resolution comments on call out jobs</p> <p>Asset engineers follow up on</p>	<p>We noted no further instances of missing resolution comments on call-</p>	<p>Necessary</p>	<p>Matter closed.</p>

work requests completed, to ensure issues have been resolved and documented in AssetFinda before claims are paid for work requests completed.	out jobs. Matter closed.		
<p>High annual leave balances</p> <p>We recommend the District Council to encourages employees to use their annual leave and maintain individual leave balances of less than six weeks.</p>	<p>We continue to observe employees with annual leave in excess of 30 days, we continue to note that high annual leave balances create a liability risk for the District Council.</p> <p>Matter outstanding.</p>	Necessary	<p>It has been Management's long-term practice to encourage employees to take regular leave and formal processes are in place to highlight leave balances over 30 days to managers and for them to seek to agree formal leave plans with employees. We also encourage staff to make use of their entitlement to cash-out some leave but current legislation limits this to one week per year.</p> <p>During the Covid-19 pandemic many staff delayed leave and despite our efforts we expect that the overall leave liability will continue to rise in the medium term. In FY23 we are actively monitoring again.</p> <p>No further action is required</p>
<p>Depreciation not in line with policy</p> <p>Complete a review to ensure all depreciation rates are in line with Council's policy, or that the policy is updated to reflect appropriate depreciation rates.</p>	<p>We continue to note instances where depreciation rates utilised on assets are not in line with Council's accounting policy. We note Council plans to re-align depreciation rates as part of the 2024/34 Long-term Plan</p> <p>Matter progressing</p>	Necessary	<p>The accounting policy for depreciation rates will be reviewed as part of the Long-term Plan process.</p> <p>Matter progressing</p>
<p>Disposal of vehicles to staff below market value</p> <p>Managers are aware of the contents of the Asset Disposal Policy and processes are implemented to ensure transactions are in line with this policy.</p> <p>Council approval is sought when practice is not in line with a Council approved policy.</p>	<p>We note that the District Council has amended their vehicle policy and removed the provision for entitlement to purchase salary sacrifice vehicles at book value.</p> <p>We also noted no disposals not aligned with Council-approved policy in financial year 2022.</p> <p>Matter closed.</p>	Necessary	Matter closed.
<p>Sensitive Expenditure: independence of approver</p> <p>We recommend there is one-up approval on all expenditure. If the approver is receiving a perceived or actual benefit from the</p>	<p>We continue to note instances where approvers of sensitive expenditure have also benefitted from the expenditure they have approved.</p> <p>Matter outstanding.</p>	Necessary	<p>It is already our practice to attain one-up approval for such transactions. It is disappointing that another item has occurred. We are looking at the systems configuration and business processes over the next few months to try and eliminate this</p>

<p>transaction then it should be approved by that person's Manager on a one-up basis (or in the CEO's case, the mayor) or by an alternative member of those charged with governance (preferably the RAC Chair) to ensure there is the independence and transparency.</p> <p>This is also in keeping with Taupō District Council's Sensitive Expenditure Policy.</p>			<p>from occurring</p> <p>Matter progressing</p>
<p>Incomplete Interest Register</p> <p>We recommend additional training is provided to management and Councillors around interest declarations, and a process is implemented to ensure all Councillors and key management personnel declare all interests (including entities that Council does not engage with).</p>	<p>We noted instances during the audit where declarations were incomplete when compared to the companies or charities register, we do note that in financial year 2022, the District Council has reduced the number of undisclosed interests.</p> <p>Matter progressing.</p>	<p>Necessary</p>	<p>Whilst we felt we had met this requirement we missed that the requirement is now for Councillors and KMO to declare all interests regardless if there is any relationship to Council. The declarations for 2022/23 gathered by Finance will be modified.</p> <p>Matter progressing</p>
<p>Local authority required to make publicly available CCO documents</p> <p>Required documents for all CCOs are clearly visible on the Taupō District Council website to ensure compliance with the Local Government Act 2002.</p>	<p>No longer applicable, all CCO documents are included on the District Councils website.</p> <p>Matter closed.</p>	<p>Beneficial</p>	<p>Matter closed.</p>
<p>Sensitive Expenditure Policy improvement</p> <p>From our review of the Sensitive Expenditure Policy, we have identified opportunities to further strengthen the Policy and to ensure the Policy is in line with the updated good practice guideline from the Office of the Auditor General..</p>	<ul style="list-style-type: none"> • From our review of the updated sensitive expenditure policy, we have identified recommendations to further strengthen the Policy and to ensure the policy is in line with good practice. We recommend Council further update their policy with the following points: • Policies specify the monitoring and reporting regime and, where applicable, any internal audit checks that may be applied. • Credit card policies and procedures need to set out the process 	<p>Beneficial</p>	<p>The Sensitive Expenditure Policy will be reviewed again against the good practice guidelines.</p> <p>Matter progressing</p>

	<p>for cancelling and destroying cards</p> <ul style="list-style-type: none"> Credit card policies and procedures need to set out the consequences of unauthorised use, and who is responsible in the case of misuse of the card. 		
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New Recommendations from 2021/22

Audit recommendation	Most recent audit status	Priority	Management status update
<p>Use of generic accounts</p> <p>We recommend the District Council to develop a process to document the current generic and powerful accounts within their network domain and various applications. This should include an assessment to determine the extent of their access and whether they are still required.</p>	N/A new matter	Necessary	<p>We have a Privileged Account Access Policy (Dec 2021) and implemented Secureden software to manage powerful accounts and the risk associated with those accounts. The policy will be amended to include the use of generic accounts. The implementation of Technology One will enable us to review and reduce many of the generic accounts.</p> <p>Matter progressing</p>
<p>Capitalisation date of vested assets</p> <p>We recommend that Council aligns their capitalisation dates for vested assets to the date the relevant 224c Certificates are signed.</p>	N/A new matter	Necessary	<p>Noted - we are changing the process so that the title issue date from Land Information NZ is the date used for capitalisation.</p> <p>Matter progressing</p>
<p>Lack of formal approval for all salary increases</p> <p>We recommend the District Council retains formal and proper evidenced approval documents for all salary increases before the salary increases are affected in the Council's accounting system</p>	N/A new matter	Necessary	<p>These are approved at an Executive meeting, and the meetings are minuted. We will ensure evidence in the form of a listing of staff with the total impact of the increase duly approved by the CEO is filed appropriately.</p> <p>Matter progressing</p>
<p>Journal segregation of duties</p> <p>We recommend a one-up approval process for journals posted.</p>	N/A new matter	Necessary	<p>From the point of Audit bringing this to our attention we have corrected the process</p> <p>Matter closed (likely to remain open though as won't fully resolve in FY23 audit)</p>
<p>Supporting creditor Masterfile changes</p> <p>We recommend that the District Council ensures any</p>	N/A new matter	Necessary	<p>We agree that the source should be evidence from a bank and our process has been reinforced with the team in mid-</p>

creditor bank account change is supported with appropriate evidence such as bank statement or letter from the bank confirming the creditors account number.			May 2023 Matter closed
<p>Assessment of recoverability of general debtors</p> <p>We recommend that the District Council performs assessment of the recoverability of outstanding general debtor balances and that adequate impairment allowance should be made as a result of any doubtful balances identified.</p>	N/A new matter	Beneficial	<p>The finance team will work with the various departments to identify and take the appropriate action for any debt that:</p> <ul style="list-style-type: none"> • Is not due for payment due to its nature for example regulatory charges, • needs to be followed up with the customer, or • are charges that can either be credited or written off. <p>Matter progressing</p>

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee receives the Report to Council on the audit for the year ended 30 June 2022.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Report to Council on the audit for the year ended 30 June 2022 (A3347522)

5.2 2023 ANNUAL REPORT AUDIT PLAN AND FEES STRUCTURE

Author: Jeanette Paenga, Finance Manager

Authorised by: Sarah Matthews, General Manager Finance and Environment

TE PŪTAKE | PURPOSE

Audit New Zealand will present their Audit Plan for the 2023 Annual Report engagement and the proposed fee structure for the audit.

NGĀ KŌRERORERO | DISCUSSION

Prior to the commencement of the audit of our Annual Report, Audit NZ provide a plan of their approach and the matters that they will be focussing on along with their proposed fee structure for consideration. This Committee's role is to approve of the plan and the fees to enable His Worship the Mayor to sign the appropriate documentation for the audit engagement.

WHAKAKAPINGA | CONCLUSION

It is recommended that the Committee approves the Audit Plan and delegates authority to the Committee Chairperson to approve the final audit fee.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee:

1. Approves the Audit Plan for the 2023 Annual Report Audit; and
2. Delegates authority to Chair of the Risk & Assurance Committee to approve the final audit fee.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. 2023 Annual Report Audit Plan

5.3 POOLS SAFE AUDIT - TAUPŌ AND TŪRANGI POOL COMPLEXES

Author: Penelope Ramsay, District Aquatics Manager

Authorised by: Steve Giles, Events and Venues Manager

TE PŪTAKE | PURPOSE

The purpose of this item is to present the results of the annual PoolSafe accreditation audit for the Taupō (AC Baths) and Tūrangi (Turtle Pools) pool complexes.

WHAKARĀPOPOTANGA MATUA | EXECUTIVE SUMMARY

PoolSafe accreditation is a Long-term Plan performance measure for both the Taupō and Tūrangi pools. Assessors will review operational standards and procedures against actual day to day activities. This assessment is carried out annually by independent industry professionals. PoolSafe accreditation has been deemed by previous councils as a vehicle to minimise injury and harm in what is a relatively high-risk environment. Accreditation has again been granted for both pool complexes.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee receives the PoolSafe Accreditation Audit Report for the Taupō and Tūrangi Pool Complexes dated February 2023.

TE WHAKAMAHIKI | BACKGROUND

The PoolSafe Quality Management Scheme (PoolSafe) is an independent assessment of public pools to ensure that their operations and facilities are safe. There are currently 214 public pools in New Zealand and over 150 of those are members of the PoolSafe scheme.

Jointly developed in 2001 by the New Zealand Recreation Association (NZRA) and Water Safety New Zealand (WSNZ) PoolSafe is an industry led, voluntary management system designed by industry for industry to peer assess and moderate their delivery of public aquatic facilities services, with the direct intent to limit serious harm to their communities.

NGĀ KŌRERORERO | DISCUSSION

PoolSafe accreditation is a Long-term Plan performance measure for both the Taupō and Tūrangi pools. Assessors will review operational standards and procedures against actual day to day activities. This assessment is carried out annually by independent industry professionals. PoolSafe accreditation has been deemed by previous councils as a vehicle to minimise injury and harm in what is a relatively high-risk environment. Accreditation has again been granted for both pool complexes.

NGĀ HĪRAUNGA | CONSIDERATIONS**Whakahāngai ki tā te Kaunihera wawata | Alignment with Council's Vision**

Council's vision is 'to be the most prosperous and liveable district in the North Island'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: Quality and Resilient.

Ngā Aronga Pūtea | Financial Considerations

The cost for accreditation is budgeted for and accreditation should have a positive effect on insurance costs, as strict procedures for operating pools and minimising risk are inherent within accreditation.

The expenditure outlined is currently budgeted for under the costs of operating the pools.

Ngā Aronga Ture | Legal Considerations**Local Government Act 2002**

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local public services (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The matter assists Council in providing local public services.

Ngā Hīraunga Kaupapa Here | Policy Implications

With retention of PoolSafe Accreditation there are no policy implications. If Council was to determine it was to exit the scheme, then this would require a change to performance measures as part of the next Long-term Plan review process.

Ngā Tūraru | Risks

The accreditation scheme has been designed by industry professionals to minimise the risk of harm to users. Detailed operating procedures exist and all operational staff are trained in those procedures. Pools are a high-risk activity and incidents do occur, but with highly trained staff and consistent procedures, the potential for major incidents [e.g. drowning] are minimised, although still very real.

TE HIRANGA O TE WHAKATAU, TE TONO RĀNEI | SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Māori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016) and are of the opinion that the proposal under consideration is of low importance.

TE KŌRERO TAHI | ENGAGEMENT

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to the committee making a decision to receive the audit.

TE WHAKAWHITI KŌRERO PĀPAHO | COMMUNICATION/MEDIA

Decisions made by Council should be communicated in the appropriate manner. Media releases on successful accreditation have been prepared by the Communications team.

WHAKAKAPINGA | CONCLUSION

PoolSafe accreditation is an important part of the pools operations to minimise risk to its users and Council's staff. There is high risk of serious injury and harm, but accreditation has provided a basis for sound training and operational procedures to minimise that risk, although risk is still ever present.

NGĀ TĀPIRIHANGA ATTACHMENTS

1. Poolsafe Audit - AC Baths
2. Poolsafe Audit - Tūrangi Turtle Pools

5.4 LONG-TERM PLAN 2024-34 UPDATE AND RISK REPORT

Author: Louise Chick, Programme Manager

Authorised by: Sarah Matthews, General Manager Finance and Environment

TE PŪTAKE | PURPOSE

The purpose of this report is to provide a quarterly update on the development of Taupō District Council's (TDC) Long-term Plan 2024-34 (LTP) and associated risks. It is provided for information purposes and does not require any decision-making on the part of Committee members.

The Local Government Act 2002 (LGA) requires local authorities to prepare and adopt an LTP covering a 10 year period, and to review the plan every three years. The next LTP must be adopted by 30 June 2024. It sets the activity and budgets for the next 10 years, with a higher degree of focus on the first three years.

The LTP project commenced towards the end of last calendar year and underwent a reset in April 2023. This is the first time the Committee has been presented a project update and risk register. The register contains risks identified and mitigation measures, and is attached as Attachment 1 to this report.

NGĀ KŌRERORERO | DISCUSSION**Governance**

The LTP24 governance has been developed and includes:

- **Programme Steering Group** – Chaired by the Sponsor, Sarah Matthews (Finance & Environment) and attended by Executive, Policy Manager, and Programme Manager. Fortnightly meetings.
- **Programme Control Group** – Chaired by Sponsor, Sarah Matthews, and attended by third tier managers (ELT) and Programme Manager. Fortnightly meetings.
- **Core Project Team** – Chaired by Programme Manager. Weekly meetings. Attended by those as described in Attachment 2.

Programme Plan

The high level project plan is presented in Attachment 3. Staff are working to having the Consultation Document approved by Elected Members in December, with audit planned for mid-Jan-February 2024, and formal Consultation in March 2024.

The key focus up until the end of July is development of Activity Area Plans (equivalent of Activity Management Plans), identification of projects and non-BAU operational expenditure requirements, with supporting business cases and Asset Management Plans where appropriate.

Work has also commenced on the Infrastructure Strategy and review of the Development Contributions Policy.

Risk Management

Key project risks were identified in a May workshop and are encapsulated in the project risk register presented in Attachment 1.

Of the total 26 risks identified, 5 were initially rated 'Extreme' with mitigation measures reducing them to 'Medium' and 'High'. There are 7 risks with a residual risk rating of high. Commentary on how these are being managed, is provided below.

LTP24_001 – Not Achieving Timeframes

There are tight timeframes to progress development of the LTP and we are awaiting information in relation to the Affordable Water Reforms which has widespread impact on LTP deliverables. If there is slippage in meeting timeframes for one deliverable or deliverables requiring rework on receipt of new information, this may impact subsequent phases of the project/deliverables and risk the final deadline.

TDC is keeping abreast of sector guidance on how Affordable Water Reforms should be managed, and has assumed that three waters should be included for the full 10 years of the LTP. This approach has been taken as less work is required to remove expenditure at a later date, than add it into the LTP.

LTP24-014 - Strategic Direction is unclear

TDC's Activity Owners are needing to commence development of Activity Area Plans without Council vision, community outcomes, and strategic focus areas being clearly defined. Two workshops with elected members have been cancelled due to COVID and then a tangi, which has meant Council has yet to set its strategic focus areas for this LTP. This may lead to a misunderstanding of what is important / priority. Activity Managers will need this information to enable them to accurately plan and complete their business plans.

The LTP Team are urgently seeking to find a suitable time for Elected Members to workshop and set the strategic direction. In the meantime, the LTP Team has shared available information with the wider business to inform their planning.

LTP24_015 – Iwi Engagement

TDC is committed to giving iwi a strong voice in the development of our LTP work programme. In particular, TDC has recently signed the Mana Whakahono ā Rohe Agreement and committed to partner with Ngāti Tūrangitukua in LTP decision making relating to matters in their rohe. TDC needs to determine how to give effect to this whilst still meeting LTP development timescales.

Furthermore, at a recent Te Kotahitanga o Ngāti Tūwharetoa (TKNT) hui some hapū expressed their expectation for direct hapū level engagement and involvement in LTP decision making.

It has been agreed that there needs to be sufficient iwi engagement in the LTP however TDC's proposals are yet to be presented and agreed with iwi.

TDC has commenced korero with the 6 recognised iwi entities and is working alongside the TKNT CEO to develop hapū level engagement approach that aims to reflect iwi and hapū expectations, although it is recognised that the timescales for LTP development may challenge TDC's ability to engage at the level expected by some hapū.

LTP24_020 Staff Burnout & Morale

There is a high level of reliance on a number of key staff in Finance, Policy, Communications, Engagement as well as those who prepare business cases. This is on top of other day to day operational roles and project priorities. The tight timescales for developing the LTP on top of other existing commitments may lead to staff burn-out and low morale.

This can be managed by ensuring clear communication by the Executive, across the business, around what the organisational priorities are. Additional contract and consultant resources have been obtained to support in Finance, Policy and Communications.

LTP24_009 – High levels of uncertainty in the financial sector – impact on rates

Given the economic volatility there is potential that households and businesses may struggle financially. If this eventuates then there is a risk that Elected Members may no longer support rate increases and associated work programmes. Staff are managing this by commencing early discussions with Elected Members regarding the 'hard choices' that are coming their way. Furthermore, those developing Activity Area Plans and Business Cases have been advised to keep activity costs, wherever possible, to existing expenditure levels.

LTP24_004 – Insufficient Engagement

The LTP is being developed within tight time constraints. It may be that there is insufficient time to engage with some parts of the community to the extent they would like. This may lead to a misunderstanding of what is important to the community and impacts the decisions Council makes. To help manage this risk TDC is attending Community Representative Group meetings between now and the end of the calendar year, to work with them to understand their communities' priorities and undertaking early pre-engagement in August, in addition to formal consultation in March 2024.

LTP24_017 – Landfill Assumption

TDC's consent at the Broadlands landfill is up for renewal in 2027, but this consent renewal will require consultation, including with Iwi/hapu. The alternative is that TDC will truck waste to outside the district at high operational cost. TDC will need to make an assumption in its LTP as to what is required in this space. This may be a specific issue that we ask the community to comment on through the Consultation Document.

LTP24_007 Inaccurate Forecasting Assumptions

The underlying assumptions are critical to the robustness of the LTP and it is essential that we work with the best information available. If forecasting assumptions are significantly inaccurate it could result in misallocation of resources to plan for the development of our district. These assumptions include economic environment, interest rates, inflation, increase in rateable units etc.

TDC has undertaken considerable work developing its Growth model. This is currently being refined to provide information at a higher resolution than Statistics SAT level to inform our water and wastewater planning. Financial and economic advice will continue to be received throughout the project.

WHAKAKAPINGA | CONCLUSION

TDC's LTP is being developed to tight timeframes, and there are a number of risks associated with its development.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee receives the report of Louise Chick, Programme Manager, titled Long Term Plan 2024-34 Update and Risk Report.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. LTP24 Risk Register
2. LTP24 Project Governance
3. LTP24 High Level Programme

5.5 HEALTH, SAFETY AND WELLBEING REPORT

Author: Michelle McGill, Health, Safety and Well-Being Manager

Authorised by: Nigel McAdie, Legal, Risk and Governance Manager

TE PŪTAKE | PURPOSE

To provide assurance that there are core systems and controls in place to manage Taupō District Council's critical health, safety and wellbeing risks that are aligned to the duties imposed under the Health & Safety at Work Act 2015 (HSWA). As this is the first health, safety and wellbeing report to the Risk and Assurance Committee this report will cover key developments for this financial year 2022-23.

WHAKARĀPOPOTOTANGA MATUA | EXECUTIVE SUMMARY

The core systems and controls in place to manage our health, safety and wellbeing risks include:

- Applying due diligence to ensure Council, through its Chief Executive, provides resources and support to meet its legal health and safety obligations.
- Ensuring that significant health, safety and wellbeing risks have been identified and that robust controls are implemented to mitigate these risks, and that they are reviewed regularly.
- Assurance that Council is providing a safe workplace for its workers and other persons.
- Confirming that Council is compliant with health and safety legislation, essential to the overall success of Taupō District Council.
- Ensuring all workers are valued, that their health, safety and wellbeing is paramount and that we are striving to continuously improve health and safety systems and culture.
- Ensuring senior management and councillors are aware of their due diligence duties under s 44 of HSWA and understand Council risks and resources available to manage risk.
- Providing key information relating to these matters at a governance level.

We continue to focus our efforts towards managing our risks, especially our critical risks associated with tasks and duties that could result in serious injury or death. We have identified 13 critical safety risks across the organisation:

Working on or in proximity to a roadway	Driving for work	Working in a confined space
Working at height	Hazardous substances/asbestos	Working over or near water
Working with plant or machinery	Working alone/in isolation	Working with energy sources
Working in or around excavations	Dealing with aggressive and/or abusive people	Working in proximity of overhead or underground services
Declining mental health		

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee receives the Health, Safety and Wellbeing Report.

TE WHAKAMAHIKI | BACKGROUND

The Health and Safety at Work Act (HSWA) and the Regulations that underpin the Act provide a framework to manage workplace risks.

Active Worker Participation

One of the key requirements of health and safety legislation is that it is mandatory to have active worker participation. Section 58 of HSWA includes a duty to engage with workers and s 61 includes a duty to have worker participation practices. We are meeting this duty in several ways:

1. By having nominated Health and Safety Representatives (HSRs) who cover a specific work group across Council. All HSRs are entitled to two days formal training per year and Taupō District Council engage with IMPAC Trainers for the delivery of these courses. Additional training opportunities are made available to HSRs empowering them in areas of safety and wellbeing expertise. HSRs are appointed for a three year term, although some HSRs are voted back in by their work colleagues to continue representing their work area for a further term.
2. In 2022 TDC established two Health and Safety Committees across Council.

(a) The Corporate Health and Safety Committee consists predominantly of the customer facing areas of the business, providing the opportunity to identify risks and review the controls in place in these customer facing roles. A key focus for this Committee over the last 12 months has been the critical risk associated with dealing with poor behaviours, either at our venues, offices or out in the community.

(b) The Operational Health and Safety Committee is focused on the operational areas of Council where the majority of the 13 critical risks sit. This Committee includes members who are responsible for managing contractors to Council who regularly undertake high risk work involving critical risks.

Worker wellbeing is a standing agenda item for both Committees. This looks at the triggers of workplace psychosocial risks and mitigations in place are being constantly evaluated.

All HSRs are members on their respective Committee and management representation on the Committees is encouraged to facilitate robust discussions on safety matters and to ensure resources can be assigned to address worker concerns raised at the meetings.

Health and Safety Incident Reporting

3. All workers are encouraged to report accidents, incidents and near misses through the Damstra Safety System (our health and safety management platform). Damstra is easily accessed through a web portal and also provides a mobile app to encourage access to Damstra within the field. Pleasingly, use of the mobile app is trending upwards. Incidents cannot be closed out within Damstra without the addition of corrective actions that address causal factors to prevent a reoccurrence.

Lessons learnt, particularly from serious incidents or near misses are shared internally (and externally where appropriate). For example, the ICAM (Incident, Cause Analysis Method) investigation on playground equipment failure carried out in 2019 was shared with the Aotearoa Playground Association and to councils within the region (with the same equipment) via the BOPLASS and WLASS collaboration portals.

Contractor Management

4. Contractor management is key to ensure the safe delivery of the District's infrastructure, services to the community and maintaining the objectives outlined in the Council's Long-term Plan and Annual Plan.

As Council and its contractors are both PCBUs under HSWA with shared duties, health and safety requirements are integrated into the Council's internal procurement processes by way of mandatory health and safety requirements. These requirements are set out in a framework available on the Council website - *Contracting to Council*.

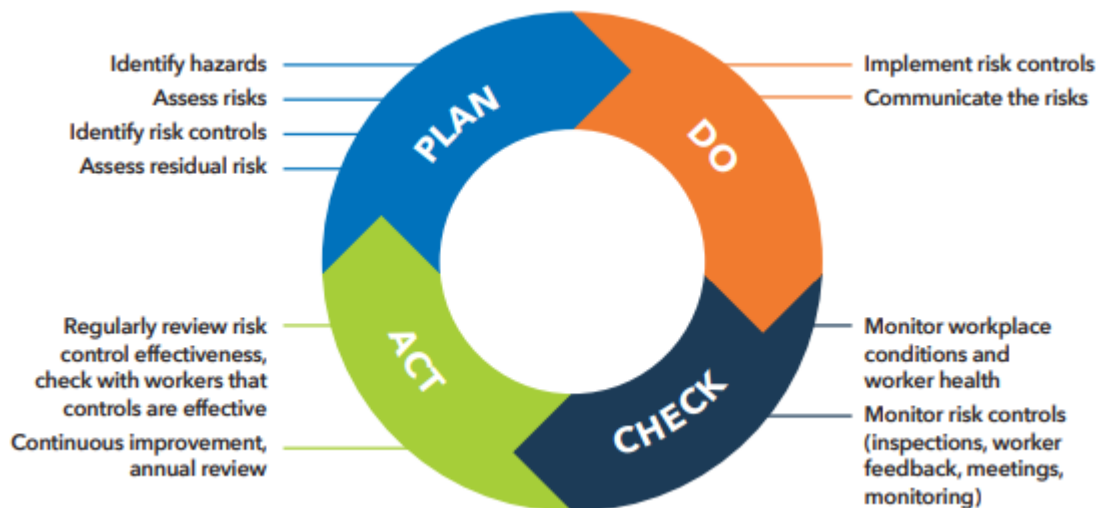
The initial documents supporting *Contracting to Council*, including the *Contractor Health and Safety Handbook* were developed in 2017/18 with the focus on clearly setting out the Council's expectations for contractors when undertaking work on the Council's behalf. To ensure compliance with HSWA, contractors are required to demonstrate their processes for identifying hazards and managing risk. Most organisations, including all councils, have made it mandatory for contractors carrying out physical works to have their safety management plans audited and assessed by an independent Contractor Prequalification Accreditation Scheme. This council made it mandatory to have accreditation with SiteWise or IMPAC Prequal.

In addition to this prequalification requirement, Taupō District Council has developed a supporting risk management document that aligns a contractor's scope of work to the Council's responsibilities for health and safety. The *Health, Safety and Environment Agreement for Contractors* is a mandatory requirement and included in the Council's procurement documents. Damstra contains a comprehensive list of Council's Approved Contractors.

In late 2022 the *Contracting to Council* framework was reviewed to align the risk profiles to current work environments. The amended documents provide clear directives and links to WorkSafe guidelines for critical risk management, as well as accepting more nationally recognised Contractor Prequalification Schemes, including SHE prequal and Tōtika with a stronger focus on monitoring contractor safety performance.

Working closely with our approved contractors involves review of Site-Specific Safety Plans, regular meetings and supporting robust investigations of contractor incidents and near misses. The benefit of collaboration not only ensures that Council complies with requirements under s 34 of HSWA (overlapping duties) but also achieves benefits from exchanging learnings.

Serious incidents, including serious near misses are entered into Council's Damstra safety system. While the "Plan-Do-Check-Act" four step model represented by the diagram below is a useful tool for managing risk, the monitoring and review of contractor safety performance does present some challenges. To address these challenges and provide additional assurance and verification, audits and inspections using the Vault Check app are being increasingly implemented as we roll this out across our Council staff who are managing contractors to provide. This is managed through Damstra and will contribute to lead key performance indicators once the training is completed across the business over the next few months.



Specific Actions Taken to Comply with HSWA

1. Section 36 of HSWA imposes a primary duty of care. The role of officers of a PCBU is to ensure that Council is a safe workplace, and that the Council has the required resources available. We continually evaluate this by:
 - a) Including Health, Safety and Wellbeing as an agenda item on all Executive Team meetings.
 - b) The minutes from the Health & Safety Committee meetings are reviewed by the Executive Team.
 - c) The Chief Executive and the Executive Team ensure sufficient finance, budgets and training are available across the business to manage health, safety, and wellbeing risks.
2. Section 44 of HSWA requires officers to exercise due diligence that includes taking reasonable steps to acquire and keep up to date with knowledge of work health and safety matters. To ensure all elected members are up to date on health and safety matters across Council activities and to fulfil due diligence in their capacity as an officer, the health, safety and wellbeing reports are presented to the Council quarterly.
3. Asbestos is identified as one of the Council's 13 critical risks, with asbestos related incidents being a notifiable event to WorkSafe. To manage this risk, Taupō District Council is part of the Bay of Plenty

Asbestos Liaison Protocol where Council, Te Whata Ora, Fire & Emergency New Zealand (FENZ) and WorkSafe jointly support the reduction of occupational and public health risks associated with exposure to asbestos. In the event of an asbestos incident, a lead agency will be identified and where required, the other agencies may be included in the management of the incident.

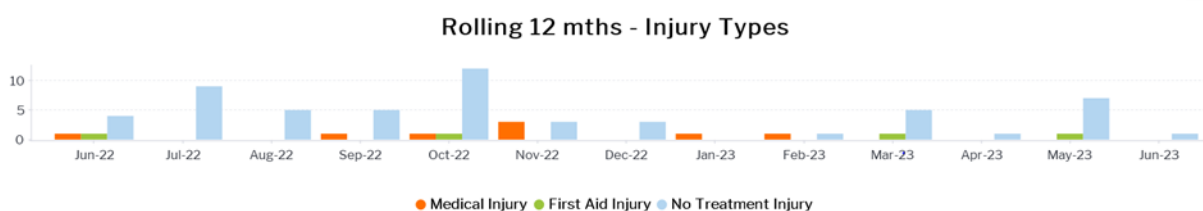
4. Workplace health and safety is not just about compliance with legislation, but also developing good health, safety and wellbeing initiatives to support good risk management and enhance a good safety culture. Taupō District Council has a Wellbeing Framework in place with four key areas – Mental, Social, Financial and Physical. An annual calendar includes wellbeing workshops, seminars and initiatives in these four areas. Council offers staff access to discounted Molemap examinations and free flu vaccinations.
5. The Health, Safety and Wellbeing Manager is actively involved with two LASS groups – Waikato LASS and the Bay of Plenty LASS. This provides an opportunity to contribute to the Mahi Tahī Local Government Collaboration Portal - a shared resource where health and safety policies, guidance and topical material is freely available. Members from the LASS councils meet on a quarterly basis.

NGĀ KŌRERORERO | DISCUSSION

1. Risks and incidents

Incidents profiled for this report are summarised below in the graphs for the previous 12 month rolling period. Across Council, there is a good culture of reporting incidents with an increase in aggressive and abusive behaviours by the public towards employees. Serious harm injuries remain very low with most injuries requiring no treatment or first aid treatment. There could be some improvement in the reporting of near misses.

TDC Rolling 12 Mths - Injury Types



2. Notifiable Events to WorkSafe NZ (12 months)

There have been two notifiable events to WorkSafe involving the Council's identified critical safety risks:

1. Working from heights: a sub-contractor broke his arm and wrist after falling two metres from an access ladder attached to a transport vehicle operated by the sub-contractor.

The corrective actions by the contractor included:

- Review of the working at heights procedures on ladder.
- Review of the design of plant to eliminate personnel on ladder.

2. A contracted worker experienced a significant medical event while operating a heavy vehicle, incurring minor equipment damage. Although this occurred on a work site, the incident was not attributed to a workplace condition.

Other events that were referred to WorkSafe (but which were not formally notifiable) included:

1. Extreme wind gusts associated with Cyclone Gabrielle resulted in significant movement to an 11kV powerline in proximity to a Council Water Treatment Plant building, resulting in the powerline coming into contact with a radio aerial. Damage to critical equipment within the building occurred when electricity passed through it.

The incident was reported to WorkSafe but was not notifiable as there were no injuries, and the event did not occur as the result of work taking place. However, an internal ICAM investigation identified electrical non-compliances regarding earthing of the aerial and the proximity of the aerial to the 11kV powerline.

The corrective actions included;

- Risk Management

- Mast and antenna relocated to safe distance and consideration to wind gusts on line span.
- Review of electrical installations by independent electrical engineer.
- Complete a review on other WTP/WWTP to ensure there are no other structures with antennas in proximity of overhead lines
- Undertake an earthing audit on all WTPs, WWTPs & Pump stations.
- Install signage indicating high voltage.

- Procedures

- Create HAZOP templates to include hazard identification and risk management tools to ensure a documented process is attached to contracts

- Contractor Management

- Contract works to have specific hold points to allow for verification of works before the following stages can be progressed.

2. A contractor received an electric shock when one of the pins removed from boxing came into contact with buried electrical services. The pin was only 350mm into the ground, whereas services are generally at a depth of 600mm.

The area was isolated, and Unison were contacted to complete isolation of the power source to allow the peg to be removed. WorkSafe was advised but the event was not a Notifiable Incident (because only minor injuries were received).

3. A contractor broke two fingers while reinstating a steel barrier arm at a Council site. While the level of severity did not trigger a notifiable event to WorkSafe, WorkSafe were notified, and engineering options are being explored to prevent re-occurrence related to hand placement on this equipment.

3. Health and Wellbeing

Health and Wellbeing is a shared portfolio between the People and Culture Manager and the Health, Safety and Wellbeing Manager. WorkSafe NZ have identified mental wellbeing as a workplace risk, and Council acknowledges it in our 13 critical risks.

Data from the Council's external counselling provider, the Employee Assistance Programme (EAP) indicates that for the last twelve-month period June 2022 – May 2023 there has been an increase in the use of the Programme compared with the same period in June 2021- May 2022.

To help address this indicator, Mental health Awareness workshops have been made available to all staff from the beginning of 2023, and a more focused two-day workshop on Mental Health First Aid targeted to managers and supervisors commences in August 2023.

4. Strategic Progress

The following workstreams outlines Council progress on current/outstanding safety activities that strengthen and support the Health and Safety Strategy.

Workstream	Status	Next milestone	Comment
Critical Risk Audits & Inspections in Damstra	50%	Further develop KPIs to provide assurance that audits and inspections are being completed.	Current health and safety KPIs could be improved to be SMART(er)
Contractor Management framework	80%	Online Contractor Induction	The Draft <i>Contracting to Council</i> documentation is under review. To be finalised and the website updated.
Fire and Emergency preparedness	90%	All buildings and venues have an Approved Fire Scheme where legislatively required, with all six-monthly drills completed.	One more training session scheduled to ensure all fire wardens are trained to NZQA standards.
Safety Management System (SMS) review	0%	Alignment of our SMS to the ISO 45001 International Standards	Review is required to align the SMS with ISO 45001
Risk Registers	20%	Develop Critical Risk	Risk registers are in place

		Registers using the Bowtie risk assessment.	across most work fronts. An area for improvement is taking a more proactive approach to risk reviews through H&S training.
Inductions	80%	TDC has developed an online induction and in-house technology supports creating Site-Specific Inductions.	Online induction due for review July 2023 and to be incorporated into P&C's onboarding induction process for new recruitments.

Gaps and Improvement Opportunities

Improvement opportunities identified include:

- Risks to Council workers' wellbeing have increased. Health and wellness initiatives to be further developed.
- Accountability: While staff are reporting well on reactive (lag) indicators, develop SMART(er) KPIs to improve the level of active (lead) indicators.
- Encourage staff and contractors to promptly report events, including near misses.
- Investigate offering health and safety leadership training for management.
- Provide additional training to managers and team leaders on the reporting capabilities of the Council's Damstra (health and safety) software.
- Coordinate a refresher electrical safety presentation by Unison to our civil contractors on the danger of service strikes a regular basis and consider including the presentation in the contractors' induction.

Review of the Council's Health and Safety System

We are commencing our internal assurance programme by having KPMG conduct a review of the Council's health and safety management system. This will provide assurance on the Council's health and safety management system.

In particular, the review will provide an independent, external assessment of the current state of the health and safety management system, assess the current level of compliance with good practice, and the Council's safety culture.

The current state analysis will help inform the development of a work programme to support both the health and safety team, and operational teams meet best practice standards.

The review outcomes will:

1. Identify where the Council has established expected health and safety practice;
2. Identify any gaps and opportunities to improve health and safety practice; and
3. Provide practical recommendations for improvement.

The review will be undertaken over July/August, with a final report due by 30 August 2023. A report on the findings will be provided to a future Committee meeting.

NGĀ HĪRAUNGA | CONSIDERATIONS

Whakahāngai ki tā te Kaunihera wawata | Alignment with Council's Vision

Council's vision is 'to be the most prosperous and liveable district in the North Island'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: World Class; Quality; Resilient.

Ngā Aronga Pūtea | Financial Considerations

Any financial implications relating to this report will be met within existing budgets allocated to health, safety and wellbeing.

Ngā Aronga Ture | Legal Considerations

HSWA and associated regulations were introduced in 2016 and have now embedded. Significant fines have now been highlighted in the media for PCBUs who have not taken all reasonably practicable steps to mitigate health and safety risks.

Any notifiable events have the potential to be investigated by the Government regulator – WorkSafe New Zealand.

Ngā Hīraunga Kaupapa Here | Policy Implications

There are no known policy implications. Health and safety are inherent in all areas of Council work.

Ngā Tūraru | Risks

A failure to adequately manage health and safety (including worker wellbeing) has significant potential reputational and legal risks, both for the Council as an organisation, and for senior officers. These risks are being managed by implementation of the processes and controls detailed in this report, with opportunities for further improvement identified.

TE HIRANGA O TE WHAKATAU, TE TONO RĀNEI | SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement Policy identifies matters to be taken into account when assessing the degree of significance of proposals and decisions.

Officers have undertaken an assessment of the matters in the [Significance and Engagement Policy \(2022\)](#), and are of the opinion that the proposal under consideration is of a low degree of significance.

TE KŌRERO TAHI | ENGAGEMENT

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

WHAKAKAPINGA | CONCLUSION

A failure to adequately manage health and safety (including worker wellbeing) has significant potential reputational and legal risks, both for the Council as an organisation, and for senior officers. This report provides assurance to governance that there are core systems and controls in place to manage Taupō District Council's critical health, safety and wellbeing risks that are aligned to the duties imposed under the Health & Safety at Work Act 2015.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.6 MONTHLY PERFORMANCE REPORT MAY 2023

Author: Jeanette Paenga, Finance Manager

Authorised by: Sarah Matthews, General Manager Finance and Environment

TE PŪTAKE | PURPOSE

This report provides the Risk and Assurance Committee with an overview of the performance of the organisation.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee notes the information contained in the Performance Report for the month of May 2023.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Taupō District Council Performance Report - May 2023

5.7 ADOPTION OF UPDATED PROTECTED DISCLOSURE (WHISTLEBLOWER) POLICY

Author: Jamie Dale, Risk Manager

Authorised by: Nigel McAdie, Legal, Risk and Governance Manager

TE PŪTAKE | PURPOSE

To consider and adopt a new Protected Disclosure Policy to reflect the requirements of the new Protected Disclosures (Protection of Whistleblowers) Act 2022.

WHAKARĀPOPOTOTANGA MATUA | EXECUTIVE SUMMARY

The Protected Disclosures Act 2000 was repealed and replaced by the Protected Disclosures (Protection of Whistleblowers) Act 2022 on 1 July 2022.

The existing Protected Disclosures Policy required under section 7 of the 2000 Act requires updating to meet the new requirements of section 29 of the 2022 Act.

An updated policy, the Protected Disclosures (Protection of Whistleblowers) Policy has been drafted for the Committee's consideration and approval to meet the requirements of the 2022 Act.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee adopts the Protected Disclosures (Protection of Whistleblowers) Policy 2023.

TE WHAKAMAHUKI | BACKGROUND

The Protected Disclosures Act 2000 was updated and replaced by the Protected Disclosures (Protection of Whistleblowers) Act 2022 that came into effect on 1 July 2022. The existing Protected Disclosure Policy requires updating to meet the requirements of the new Act.

NGĀ KŌRERORERO | DISCUSSION

The Protected Disclosures (Protection of Whistleblowers) Act 2022 requires all public sector organisations to have and publish internal procedures for receiving and handling protected disclosures. It continues the 2000 Act's purpose which is to facilitate the disclosure and investigation of serious wrongdoing in the workplace, and to provide protection for employees and other workers who report concerns. However, the 2022 Act makes changes to address identified issues and improvements.

The key changes in the 2022 Act are:

- extending the definition of serious wrongdoing to cover private sector use of public funds and authority and to cover behaviour that is a serious risk to the health and safety of any individual.
- allowing people to report serious wrongdoing directly to an appropriate authority at any time, while clarifying the ability of the appropriate authority to decline or refer the disclosure.
- strengthening protections for disclosers by specifying what a receiver of a disclosure should do.
- clarifying internal procedure requirements for public sector organisations and requiring them to state how they will provide support to disclosers.
- clarifying the potential forms of adverse conduct disclosers may face.

In addition to the updated Act, the Public Service Commission has released some model standards for speaking up which provide guidance on what should be included in procedures for protected disclosures. While the Council is not covered by the State Services Act 2020, these standards do provide some useful guidance on good practice for meeting the requirements of the Protected Disclosures (Protection of Whistleblowers) Act 2022.

There are three key elements to these standards:

1. **Getting the foundations right from the start:** organisational commitment to leadership, raising awareness, and supporting staff and managers through regular communication and training.
2. **Making sure processes are robust:** taking concerns seriously when they are raised by ensuring systems are in place for monitoring, reporting, investigating, and effectively communicating with those involved in a report or disclosure.
3. **Keeping people safe:** ensure they can feel safe in making reports, trust that organisations will act upon them, and ensure that organisations provide tailored and dedicated support and protections to staff to keep them safe from reprisal.

To meet the requirements of the 2022 Act and in consideration of the Public Service Commission's model standards, the existing Policy has been updated and new procedures for making a protected disclosure and managing a protected disclosure have been developed.

The proposed new policy now includes more definitions to provide greater clarity, updates the purpose to reflect the requirements of the new Act, increases the scope to those covered by the new Act, provides more detail on what disclosures are protected and what disclosures are not, and includes more links to related documents. In addition to the policy, new procedures have been developed to provide more detail on how a disclosure can be made and how a disclosure will be received and managed to reflect the expectations detailed in the Public Service Commission's model standards.

NGĀ HĪRAUNGA | CONSIDERATIONS

Whakahāngai ki tā te Kaunihera wawata | Alignment with Council's Vision

Council's vision is 'to be the most prosperous and liveable district in the North Island'. This is accompanied by a core set of values to underpin decision-making, the following of which are relevant to this particular proposal: World Class; Authentic; Quality; Resilient and Value.

Ngā Aronga Pūtea | Financial Considerations

The financial impact of the proposal is estimated to be \$Nil.

Ngā Aronga Ture | Legal Considerations

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of [Section 10](#) of the Local Government Act 2002. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that social, economic, environmental and cultural well-beings are potentially of relevance to this particular matter.

The proposal has been evaluated with regards to a range of legislation. The key legislation applicable to the proposal, the Protected Disclosures (Protection of Whistleblowers) Act 2022 has been reviewed and there are no known policy implications.

Te Kōrero tahi ki te Māori | Māori Engagement

Taupō District Council is committed to meeting its statutory Tiriti O Waitangi obligations and acknowledges partnership as the basis of Te Tiriti. Council has a responsibility to act reasonably and in good faith to reflect the partnership relationship, and to give effect to the principles of Te Tiriti. These principles include, but are not limited to the protection of Māori rights, enabling Māori participation in Council processes and having rangatiratanga over tāonga.

Our statutory obligations outline our duties to engage with Māori, and enable participation in Council processes. Alongside this, we recognise the need to work side by side with the ahi kaa / resident iwi of our district. Engagement may not always be required by law, however meaningful engagement with Māori allows Council to demonstrate good faith and our commitment to working together as partners across our district.

Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report.

Ngā Tūraru | Risks

The purpose of the amended policy is to ensure the Council manages potential risks relating to implementing the requirements of the Protected Disclosures (Protection of Whistleblowers) Act 2022 and meets its statutory obligations to have internal procedures that meet the requirements of s 29 of the Act.

TE HIRANGA O TE WHAKATAU, TE TONO RĀNEI | SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement Policy identifies matters to be taken into account when assessing the degree of significance of proposals and decisions.

Officers have undertaken an assessment of the matters in the [Significance and Engagement Policy \(2022\)](#), and are of the opinion that the proposal under consideration is of a low degree of significance.

TE KŌRERO TAHI | ENGAGEMENT

Taking into consideration the above assessment, that the decision is of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

TE WHAKAWHITI KŌRERO PĀPAHO | COMMUNICATION/MEDIA

No communication/media required.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Proposed Protected Disclosure Policy 2023
2. Proposed Managing a Protected Disclosure Procedure 2023
3. Proposed Making a Protected Disclosure Procedure

5.8 CONFIRMATION OF TOP RISKS

Author: Jamie Dale, Risk Manager

Authorised by: Nigel McAdie, Legal, Risk and Governance Manager

TE PŪTAKE | PURPOSE

To confirm the top risks for Taupō District Council for the 2023 – 2024 year that will form the basis for risk reporting to the Committee.

NGĀ KŌRERORERO | DISCUSSION

A workshop was held for elected members on 6 July to identify the Council's top risks and the level of risk we are prepared to tolerate. Notes from the workshop will be circulated to the Committee.

The next steps are for the Committee to reflect on the discussion at the workshop and recommend to Council the adoption of the top risks and the Council's risk appetite in relation to each of those risks.

WHAKAKAPINGA | CONCLUSION

Adoption of the top risks by the Council will be followed up by quarterly reviews that:

- Confirm the implementation of controls, and the effectiveness of their implementation.
- Identify any changes in the internal or external context, significant events, near misses etc.
- Whether the risk has changed and requires escalation or is no longer valid.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee:

1. Notes the outcome of the prior day's risk seminar and confirms the top risks for 2023/24.
2. Instructs management to report back on a complete analysis and evaluation of the top risks.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Risk Workshop Presentation

5.9 CHIEF EXECUTIVE UPDATE TO RISK & ASSURANCE COMMITTEE - CURRENT RISKS

Author: Julie Gardyne, Chief Executive Officer

Authorised by:

TE PŪTAKE | PURPOSE

To enable the Chief Executive to update members of Taupō District Council's Risk & Assurance Committee on any matters she considers appropriate to bring to members' attention.

NGĀ KŌRERORERO | DISCUSSION

This item provides an opportunity for the Chief Executive to brief Risk & Assurance Committee members on any matters posing risks to Taupō District Council as at the date of the meeting, and for members to ask any questions in relation to current risks.

If the Committee wishes to make resolutions beyond the resolution to receive the information, then it would need to follow the procedures set out in the Local Government Official Information and Meetings Act 1987 (LGOIMA) and Standing Orders, to add particular items to the agenda by resolution to be dealt with at the meeting, because they cannot be delayed to a subsequent meeting. The relevant extract from Standing Orders (clause 9.1) is **attached**.

If a matter raised as part of this agenda item is proposed to be discussed with the public excluded, then the requirements of s 48 of LGOIMA must be met. In particular, the Committee must, at a time when the meeting is open to the public, by resolution specify the general subject of each matter to be considered while the public is excluded; explain the reason for the passing of that resolution in relation to that matter (including the particular interest(s) protected by ss 6 and / or 7 of LGOIMA); and the grounds on which the resolution is based. The relevant extracts from Standing Orders (clauses 18.1 and 18.3) are **attached**.

WHAKAKAPINGA | CONCLUSION

It is recommended that the Committee receives the information presented by the Chief Executive.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk & Assurance Committee receives the update provided by the Chief Executive in relation to current risks.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Extract from Taupō District Council Standing Orders 2022-2025 - Clause 9.1 Items of business not on the agenda which cannot be delayed
2. Extracts from Taupō District Council Standing Orders 2022-2025 - Clause 18 Exclusion of public

6 CONFIDENTIAL BUSINESS

RESOLUTION TO EXCLUDE THE PUBLIC

I move that the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter 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 are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
<p>Agenda Item No: 6.1 Confirmation of Confidential Portion of Risk & Assurance Committee Minutes - 19 May 2023</p>	<p>Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>Section 7(2)(c)(i) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p>	<p>Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7</p>
<p>Agenda Item No: 6.2 Litigation Update</p>	<p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7</p>

I also move that *[name of person or persons]* be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of *[specify]*. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because *[specify]*.