

ATTACHMENTS

Risk and Assurance Committee Meeting

5 March 2024

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**TAUPŌ DISTRICT COUNCIL
MINUTES OF THE RISK & ASSURANCE COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, 107 TE HEUHEU STREET, TAUPŌ
ON MONDAY, 11 DECEMBER 2023 AT 12.30PM**

- PRESENT:** Mr Bruce Robertson (in the Chair), Cr Danny Loughlin, Mr Anthony Byett, Cr Anna Park, Cr Rachel Shepherd, Cr John Williamson
- IN ATTENDANCE:** Chief Executive (J Gardyne), General Manager Organisation Performance (S Matthews), General Manager People and Community Partnerships (L O'Brien), General Manager Strategy and Environment (W Zander), Legal and Governance Manager (N McAdie), Finance Manager (J Paenga), Executive Manager Housing and Property Investment (P King), Business Excellence Manager (L Chick), Health, Safety and Wellbeing Manager (M McGill), Commercial Manager (P Handcock), Property Advisor (T Maulder), Senior Solicitor (K Hollman), Senior Policy Advisor (K Goode), Programme Manager (J Walton), Committee Advisor (D Periam), Governance Quality Manager (S James)
- MEDIA AND PUBLIC:** Audit New Zealand representatives, Messrs Wikus Jansen van Rensburg and Kayode Oloro (MS Teams, for items 1-5.4)
New Zealand Forest Manager representatives, Mr Chas Hutton and Ms Jackie Egan (for items 1-5.3)

- Notes: (i) Items were considered in the following order: 1-5.13, confidential items C01-02, item 5.14
(ii) Cr Anna Park left the meeting at 2.42pm and re-entered the meeting at 2.44pm. She was not present for voting on resolution RACC202312/12.

1 KARAKIA

Chairperson Mr Bruce Robertson recited Taupō District Council's opening karakia.

2 WHAKAPĀHA | APOLOGIES

RACC202312/01 RESOLUTION

Moved: Cr Anna Park
Seconded: Cr Rachel Shepherd

That the apologies received from His Worship the Mayor, David Trewavas and Cr Kevin Taylor be accepted.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/01 above.

3 NGĀ WHAKAPĀNGA TUKITUKI | CONFLICTS OF INTEREST

Nil

4 WHAKAMANATANGA O NGĀ MENETI | CONFIRMATION OF MINUTES

4.1 RISK & ASSURANCE COMMITTEE MEETING - 13 SEPTEMBER 2023

RACC202312/02 RESOLUTION

Moved: Mr Bruce Robertson
Seconded: Cr Danny Loughlin

That the minutes of the Risk & Assurance Committee meeting held on Wednesday 13 September 2023 be confirmed as a true and correct record.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/02 above.

5 NGĀ RIPOATA | REPORTS

5.1 EXCLUSION OF PUBLIC - ANNUAL REPORT 2022/23

Chairperson Mr Bruce Robertson explained that there was a need to exclude the public to enable Audit New Zealand representatives to update members on the progress of the audit of Taupō District Council's Annual Report 2022/23. The Annual Report, audit opinion and letter of representation documents were all still in draft. Mr Robertson added that the Council would be considering the Annual Report documents at a meeting scheduled to be held the following day (12 December 2023).

Member Mr Anthony Byett advised that he had difficulty accepting the reasons for excluding the public for this item.

RACC202312/03 RESOLUTION

Moved: Mr Bruce Robertson
Seconded: Cr Danny Loughlin

That the Risk & Assurance Committee excludes the public to enable a confidential discussion to be had with Audit New Zealand representatives, for the reasons set out below:

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
Agenda Item No: 5.2 Exclusion of Public - Annual Report 2022/23	Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons 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	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>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>	
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I also move that Audit New Zealand representatives, Messrs Wikus Jansen van Rensburg and Kayode Oloro, be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the audit of the Taupō District Council Annual Report 2022/23.

CARRIED

Note: *Chairperson Mr Bruce Robertson and Crs Danny Loughlin, Anna Park, Rachel Shepherd and John Williamson voted in favour of resolution RACC202312/03 above; and Member Mr Anthony Byett voted against resolution RACC202312/03.*

ITEM 5.2 ANNUAL REPORT RECOMMENDATION TO ADOPT 2022/23 – IN CONFIDENCE

5.3 TIROHANGA FOREST POWERLINE CORRIDOR REPORT

The Commercial Manager introduced Mr Chas Hutton and Ms Jackie Egan, from New Zealand Forest Managers. Mr Hutton made a PowerPoint presentation (A3476599). Topics covered included Tirohanga Forest sales history; details of the proposed harvest of 56.3ha including challenges involved; maps of the area; and previous harvest details.

Mr Hutton explained that mitigation measures had been considered to address challenges with the proposed harvest. The Transpower lines would not be removed, so the harvest would have to be undertaken with the lines in situ. The harvest would carry with it elevated risks of slipping, erosion and run-off into waterways (including Lake Whakamaru). There were a number of interested stakeholders, including Waipamu Station, a body corporate farming on the shores of Lake Whakamaru. The trees were on average 42m tall and in some places on slopes of more than 35°. Not harvesting the trees would also carry risk.

A member asked what the next steps would be following harvest. Mr Hutton advised that options following harvest would depend on Council's appetite for risk and whether or not Transpower would undertake an upgrade of the lines. It would be possible to reforest in another species, including native species, not necessarily *radiata*.

In answer to another question, the Commercial Manager advised that Council and New Zealand Forest Managers had entered into a contract some time ago. He added that forestry contracts, including the New Zealand Forest Managers contract, were due to be reviewed and updated prior to harvest.

The New Zealand Forest Managers representatives continued to answer questions, with key points noted below:

- The return to Council would be reduced due to the increased costs of harvesting trees so close to power lines and in such difficult terrain. However, there would still be a positive return to Council.
- Mitigations to protect the waterway within the harvest area would include slash controls and reducing water flows.

In answer to another question, the General Manager Organisation Performance advised that commencing the harvest was within the Chief Executive's current delegations.

Independent Chairperson Mr Bruce Robertson asked for the Committee to be kept informed, in particular in relation to progress of legal protections for Council via contracts.

RACC202312/04 RESOLUTION

Moved: Mr Anthony Byett
Seconded: Cr John Williamson

That the Risk & Assurance Committee receives the Tirohanga Forest Powerline Corridor Report dated 11 December 2023.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/04 above.

5.4 LONG-TERM PLAN RISK AND ASSURANCE UPDATE

The Senior Policy Advisor summarised the report and provided further updates about the Long-term Plan 2024-34 (LTP) process. The following points were noted:

- The Development Contributions workshop would be postponed to January or February 2024.
- The Consultation Document would not be adopted by 30 January 2024. A new timetable was being worked on.
- Councils were awaiting updates from government about the Long-term Plan process. In the meantime, Taupō District Council was continuing to assume three waters would remain 'in'.
- Parts of the LTP process were going well, for example engagement with iwi/hapū.

The General Manager Organisation Performance answered questions of clarification.

RACC202312/05 RESOLUTION

Moved: Cr Danny Loughlin
Seconded: Cr Anna Park

That the Risk & Assurance Committee receives the report on the development of the Long-term Plan 2024-34 and the project's key risks.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/05 above.

5.5 CHIEF OMBUDSMAN'S INVESTIGATION INTO MEETING AND WORKSHOP PRACTICES AT TAUPŌ DISTRICT COUNCIL

In answer to questions, the Governance Quality Manager advised that:

- Action point 5 (recording members' votes) had been implemented.
- An additional column would be added to the 'resolution to exclude the public' table included on agendas and minutes, for Council to specify the plain English reasons for its decisions to exclude the public.
- The Chief Ombudsman's reports had been made available to all councillors.

Members endorsed continuation of the work underway to address the 14 action points raised by the Chief Ombudsman.

RACC202312/06 RESOLUTION

Moved: Cr Danny Loughlin
Seconded: Cr Rachel Shepherd

That the Risk & Assurance Committee receives the final opinion of the Chief Ombudsman – *Meeting and Workshop Practices at Taupō District Council*, along with the thematic report *Open for business*, dated October 2023.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/06 above.

5.6 HEALTH, SAFETY AND WELLBEING - QUARTERLY UPDATE

The Health, Safety and Wellbeing Manager summarised the report. In answer to questions, she advised that:

- She was working with the relevant managers and teams who were the 'owners' of the various risks identified, for example the 'Driving for Work' critical risk 'deep dive' had involved liaison with the Risk Manager and the Fleet Manager.
- Staff tended to be better at reporting incidences, than near-misses. Further education of staff, including via the health and safety committees, was required to support better reporting of near-misses.
- The 'illness' injury type related to a medical event at a Council venue.

RACC202312/07 RESOLUTION

Moved: Cr Anna Park
Seconded: Cr Danny Loughlin

That the Risk & Assurance Committee receives the Health, Safety and Wellbeing Report for August to October 2023.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/07 above.

5.7 HEALTH AND SAFETY REVIEW BY KPMG - FINAL REPORT

The Business Excellence Manager addressed the Committee and answered questions. The following points were noted:

- The KPMG recommendations had been considered carefully and taken forward into an improvement plan, which was a work in progress.
- The initial focus was getting the system right. Education and training would then follow.
- A plan for engagement had also been devised, to ensure people knew what was required of them. That would in turn support better communication and presentation of information in a more formalised way.
- A roadmap would be used for risk processes.

The General Manager Organisation Performance advised that the internal audit plan would be presented to the Risk and Assurance Committee in the first half of the 2024 calendar year.

RACC202312/08 RESOLUTION

Moved: Mr Anthony Byett
Seconded: Cr Rachel Shepherd

That the Risk & Assurance Committee receives the Health and Safety Review report from KPMG dated 15 November 2023.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/08 above.

5.8 HEALTH, SAFETY AND WELLBEING POLICY AND STRATEGY UPDATE

The Business Excellence Manager presented the Health, Safety and Wellbeing Policy and made the following points:

- The policy had been drafted in the form of a poster, using plain English to make it relatable to the audience, i.e. staff and contractors.
- Council's commitment and expectations were set out on the poster, all with the aim of supporting a safe and healthy working environment.
- A QR code had been included to enable people to access further information.
- The policy supported a desired cultural shift, to encourage staff and contractors to think and talk about health, safety and wellbeing as part of their everyday business with Council.
- The policy's review period was three-yearly and the next review date was included in fine print on the right hand side of the poster.

In relation to the Health, Safety and Wellbeing Strategy, the Business Excellence Manager explained that the strategy had been developed around four key pillars: Leadership; Safe Systems; Improvement; and Engagement. This was currently being considered by the Executive Team, and due to be finalised by the end of the year.

A member asked how incidents outside of Council office spaces (for example at facilities, or on reserves) were monitored. The Health, Safety and Wellbeing Manager advised that Council's control and ability to influence varied depending on the location. The Business Excellence Manager added that Council needed to be mindful of overlapping duties, checking to ensure contractors have everything in place to manage risks where appropriate, for example.

RACC202312/09 RESOLUTION

Moved: Cr Danny Loughlin
Seconded: Cr John Williamson

That the Risk & Assurance Committee adopts TDC's Health, Safety and Wellbeing Policy.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/09 above.

5.9 OUTSTANDING AUDIT AND IMPROVEMENT ITEMS

The Business Excellence Manager presented the report and attachments and noted that there was sometimes a significant time lag between completion and formal close out of items. The Chairperson suggested that the completed/closed actions should be separated out for future reporting purposes.

RACC202312/10 RESOLUTION

Moved: Mr Anthony Byett
Seconded: Cr Rachel Shepherd

That the Risk & Assurance Committee receives the report on the status of recent audit and review recommendations.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/10 above.

5.10 INSURANCE PLACEMENT UPDATE

The Business Excellence Manager summarised the report. In answer to a question, she confirmed that insurance was placed in time for the 1 November 2023 deadline, but that Council was notified of placement after the fact.

Cr Anna Park left the meeting at this point (2.42pm).

In answer to further questions, the General Manager Organisation Performance advised that:

- Cyber insurance was increasingly challenging to secure, however Council did have it in place currently.
- Council continued to self-insure for underground assets by holding its TEL fund.

RACC202312/11 RESOLUTION

Moved: Cr John Williamson
Seconded: Cr Danny Loughlin

That the Risk & Assurance Committee receives this report.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/11 above.

5.11 RISK MANAGEMENT SYSTEM IMPROVEMENT ROADMAP

Cr Anna Park re-entered the meeting at this point (2.44pm).

The Business Excellence Manager presented the item, noting that it contained an overview of plans to develop the organisation's risk management maturity over the next nine to 12 months.

The General Manager Organisation Performance thanked the Business Excellence Manager for continuing to make progress on improving Council's risk management system, noting the Risk Manager role was currently vacant.

RACC202312/12 RESOLUTION

Moved: Cr Danny Loughlin
Seconded: Cr Anna Park

That the Risk & Assurance Committee receives this risk management systems improvement update.

CARRIED

Note: All members present at the Risk and Assurance Committee meeting voted in favour of resolution RACC202312/12 above.



