
Strategic Risk and Assurance Committee

Komiti Whakamauru Tuuraru

OPEN MINUTES

Minutes of a meeting of the Strategic Risk and Assurance Committee held in the Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Wednesday 14 December 2022 at 9.30am.

PRESENT

Chairperson Ms Keiran Horne
Heamana

Deputy Chairperson Mr Bruce Robertson
Heamana Tuarua

Members Mayor Paula Southgate
Deputy Mayor Angela O’Leary
Cr Maxine van Oosten
Cr Moko Tauariki
Cr Ryan Hamilton
Cr Kesh Naidoo-Rauf

In Attendance: Cr Anna Casey-Cox
Lance Vervoort – Chief Executive
David Bryant – General Manager People and Organisational Performance
Eeva-Liisa Wright – General Manager Infrastructure Operations
Helen Paki – General Manager Community
Murray Heke – General Manager Customer, Technology & Transformation
Blair Bowcott – General Manager Growth
Sean Murray- General Manager Venues, Tourism and Major Events
Tracey Musty – Finance Director
Michelle Hawthorne – Governance and Assurance Manager
Dan Finn – People, Safety and Wellness Manager
Marie Snowball – Safety & Wellness Lead
Julie Ambury - Enterprise Risk Lead
Julie Kofoed – Insurance Lead

Aaron Steele, Matt White and Lara Bennett – PricewaterhouseCoopers
Clarence Susan and Naude Kotze – Audit NZ

Governance Team: Amy Viggers – Governance Lead
Chantal Jansen – Governance Advisor

The Chair opened the meeting with a karakia.

- 1. Apologies – Tono aroha**
Resolved: (Cr van Oosten/Cr Naidoo-Rauf)

That the apologies for absence from Cr Wilson, and for partial attendance from Deputy Mayor O'Leary, Cr Hamilton, and Cr Naidoo-Rauf are accepted.

2. Confirmation of Agenda – *Whakatau raarangi take*

Resolved: (Ms Horne/Cr van Oosten)

That the agenda is confirmed noting that:

- a) the late attachments for Item 10 (Final Approval of the 2021/22 Annual Report, 2021/22 Summary Annual Report and Representation Letters) are accepted. Attachment 1 (Summary of Annual Report 2021/22 Changes), Attachment 2 (Annual Report 2021/22) Attachment 3 (Summary Annual Report 2021/22) and Attachment 4 (Table of Additional Amendments) were circulated to members prior to the meeting under separate cover to enable the most up to date information to be provided; and
- b) item 10 (Final Approval of the 2021/22 Annual Report, 2021/22 Summary Annual Report and Representation Letters) is taken at the end of the agenda to accommodate external presenters.

3. Declarations of Interest – *Tauaakii whaipaaanga*

No members of the Council declared a Conflict of Interest.

4. Public Forum – *Aatea korero*

No members of the public wished to speak.

5. Chief Executive Report

The Chief Executive (CE) spoke to his report in particular staff vacancies and the generally positive effect of inflation on contracts. He then responded to questions from Members concerning the effect of vacancies on service level agreements, normal vacancies numbers, CE savings, and use of recruitment agencies.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee receives the report.

6. Draft Work Programme – 2023

The Governance and Assurance Manager took the report as read. Staff responded to questions from Members concerning the Letter of Engagement.

Staff Action: *Staff undertook to report the Letter of Engagement to the March 2023 Strategic Risk and Assurance meeting.*

Resolved: (Ms Horne/Mayor Southgate)

That the Strategic Risk and Assurance Committee:

- a) receives the report;
- b) adopts the draft work programme for the Strategic Risk and Assurance 2023 Committee; and
- c) notes that a wider Schedule of Reports for the Strategic Risk and Assurance Committee, Council, and other Committees for 2023 will be updated and provided to the Strategic Risk and Assurance Committee in 2023.

7. Safety and Wellness Report - 1 August 2022 to 31 October 2022 (*Recommendation to the Council*)

The People, Safety and Wellness Manager spoke to the report noting the change in focus to validation of progress and continuous improvement. Staff responded to questions from Members concerning the result of the engagement survey, the 3% decrease in overall engagement, the Executive Leadership Team's focus to improve the survey results and productivity, positive health and safety results from the survey, effect of staff vacancies on other staff, and what is available to staff to support their mental health.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee recommends that the Council receives the Safety and Wellness Report – 1 August 2022 to 31 October 2022.

Cr Hamilton joined the meeting (10.02am) during the discussion of the above item. He was present when the matter was voted on.

Mayor Southgate left the meeting (10.16am) during the discussion of the above item. She was not present when the matter was voted on.

8. Risk Management Report - December 2022

The Enterprise Risk Lead spoke to the report noting that there were no significant changes since the last report. Staff responded to questions from Members concerning Strategic Risk 9 'failure to respond to Climate Change', biodiversity, future works to be undertaken in relation to risk controls and measurements, and Council's risk profile being adequate and matching global risks.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee receives the report.

Mayor Southgate re-joined the meeting (10.20am) during the discussion of the above item. She was present when the matter was voted on.

9. PwC - Internal Audit Update and Report

Representatives of PricewaterhouseCoopers spoke to the report in particular the Strategic Property report. Along with staff, they responded to questions from Members concerning the timeline for the next year's internal audit, and outstanding actions from the Strategic Property report that were to be completed in the next 6 months.

Resolved: (Ms Horne/Cr van Oosten)

That the Strategic Risk and Assurance Committee receives the report.

Item 10 (Final Approval of the 2021/22 Annual Report, 2021/22 Summary Annual Report and Representation Letters) was deferred to the end of the agenda to accommodate presenters' availability.

10. Annual Credit Rating Report - S&P Global Ratings

The Finance Director outlined the report noting that it was an annual report to the Committee and the purpose of S&P's assessment. Staff responded to questions from Members concerning risk to Council's future rating mainly being the Capital Programme and debt to revenue ratio.

Resolved: (Ms Horne/Deputy Mayor O'Leary)

That the Strategic Risk and Assurance Committee receives the report.

11. Audit New Zealand Final Audit Plan 2021/22

The Finance Director took the report as read.

Resolved: (Ms Horne/Cr van Oosten)

That the Strategic Risk and Assurance Committee receives the report.

12. General Insurance Activity Update

The Insurance Lead spoke to the report noting that overall premiums had increased by only 9% and was within budget. Staff responded to questions from Members concerning Council's various insurance policies.

Resolved: (Ms Horne/Mayor Southgate)

That the Strategic Risk and Assurance Committee:

- a) receives the report; and
- b) notes the renewal of Council's general insurances.

Mr Robertson left the meeting (10.49am) during the discussion of the above item. He was not present when the matter was voted on.

13. Compliance Reporting Update

The Governance and Assurance Manager took the report as read.

Staff Action: Staff undertook to update members on the health and Safety Management policy.

Resolved: (Ms Horne/Cr Hamilton)

That the Strategic Risk and Assurance Committee receives the report.

Mr Robertson re-joined the meeting (10.54am) during the discussion of the above item. He was present when the matter was voted on.

14. Organisational Improvement Report

The Finance Director outlined the report, noting that the attachment included the recommendations from the Organisational Improvement Register. Staff then responded to questions from Members concerning controls to be introduced to the Ibis Breeze software that was used for financial modelling and timelines for improvements.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee receives the report.

The meeting was adjourned 11.01am to 11.20am.

Deputy Mayor O'Leary and Cr Hamilton retired from the meeting during the above adjournment. Mayor Southgate left the meeting during the above adjournment.

16. Resolution to Exclude the Public

Resolved: (Ms Horne/Cr van Oosten)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to Reasons for passing this Ground(s) under section 4

be considered	resolution in relation to each matter	the passing of this resolution
C1. Legal Risks - Committee Update) Good reason to withhold) information exists under	Section 48(1)(a)
C2. SR4 (Loss of Information or Access to Systems)) Section 7 Local Government) Official Information and) Meetings Act 1987	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to maintain legal professional privilege	Section 7 (2) (g)
Item C2.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)

The meeting went into a public excluded session at 11.21am.

The meeting returned to the open session at 11.39am.

The meeting was adjourned from 11.39am to 12.15pm.

Cr Naidoo-Rauf retired from the meeting during the above adjournment.

Mayor Southgate re-joined the meeting during the above adjournment.

15. Final Approval of the 2021/22 Annual Report, 2021/22 Summary Annual Report and Representation Letters (Recommendation to Council)

The Financial Director spoke to the report noting that the verbal clearance from Audit NZ had not been received. Audit NZ representatives then outlined the process and apologised for the delay in the clearance of the Audit. Staff responded to questions from Members concerning alternative options should clearance not be received from Audit NZ, confirmation that accounts would remain open until the annual report is adopted, changes in the Annual report, and the changes to the letters of representation that had been circulated to Members.

Resolved: (Ms Horne/Cr Tauariki)

That the Strategic Risk and Assurance Committee:

- a) receives the report; and
- b) recommends, subject to final approval from the Chair and Deputy Chair of the Strategic Risk and Assurance Committee and Cr van Oosten as Chair of the Finance and Monitoring Committee, that the Council:
 - i. adopts the Annual Report 2021/22 and the Summary Annual Report 2021/22; and
 - ii. approves the letter of representations to Audit New Zealand be signed by the Chief Executive and the Mayor on behalf of Council.

The Chair closed the meeting with a karakia.

The meeting was declared closed at 12.38pm.