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## Strategic Risk and Assurance Committee

### *Komiti Whakamauru Tuuraru*

### OPEN MINUTES

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Minutes of a meeting of the Strategic Risk and Assurance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Tuesday 13 September 2022 at 9.34am.

#### PRESENT

**Chairperson** Ms K Horne (exclusively via Audio Visual link)  
*Heamana*

**Deputy Chairperson** Mr B Robertson  
*Heamana Tuarua*

**Members** Mayor P Southgate  
Cr R Pascoe  
Cr D Macpherson  
Cr M van Oosten  
Maangai J Kana

**In Attendance:** Cr M Donovan  
Cr E Wilson  
Lance Vervoort – Chief Executive  
David Bryant – General Manager People and Organisational Performance  
Eeva-Liisa Wright – General Manager Infrastructure Operations  
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  
DJ Jordan – Chief Information Officer  
Aaron Steele and Matt White – PricewaterhouseCoopers  
Clarence Susan and Naude Kotze – Audit NZ

**Governance Team:** Narelle Waite and Tyler Gaukrodger – Governance Advisors  
Arnold Andrews – Governance Officer

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#### 1. **Apologies - *Tono aroha***

**Resolved:** (Mr Robertson/Cr Pascoe)

That the apologies for absence from Crs Bunting and O’Leary, and for partial attendance from Mayor Southgate and Cr Macpherson are accepted.

#### 2. **Confirmation of Agenda - *Whakatau raarangi take***

**Resolved:** (Mr Robertson/Cr van Oosten)

That the agenda is confirmed.

- 3. Declarations of Interest - *Tauaakii whaipanga***  
No members of the Council declared a Conflict of Interest.

- 4. Public Forum - *AAtea koorero***  
No members of the public wished to speak.

- 5. Confirmation of the Strategic Risk and Assurance Committee Open Minutes - 9 June 2022**

**Resolved:** (Mr Robertson/Maangai Kana)

That the Strategic Risk and Assurance Committee confirm the Open Minutes of the Strategic Risk and Assurance Committee Meeting held on 9 June 2022 as a true and correct record.

- 6. Chief Executive Report**

The Chief Executive spoke to the report, noting the removal of the Covid-19 response framework, staff absence rates, the effect of weather on capital projects, staff awards, remuneration, the future staff engagement survey, the local election, representation review, and cyber security. He responded to questions from Members concerning changes to electoral voting methods, public engagement during elections, changes to project timelines, and invalid votes.

**Resolved:** (Cr Pascoe/Maangai Kana)

That the Strategic Risk and Assurance Committee receives the report.

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

The People, Safety and Wellness Manager and the Safety & Wellness Lead spoke to the report, noting the release of Council's new ORA incident reporting system. They responded to questions from Members concerning the purpose of Co-Lab, and internal and external audits of Councils incident reports.

**Resolved:** (Cr van Oosten/Maangai Kana)

That the Strategic Risk and Assurance Committee:

- a) receives the report; and
- b) recommends that the Council receives the Safety and Wellness Report – 1 May 2022 to 31 July 2022.

- 8. Risk Management Report - September 2022**

The Governance and Assurance Manager and Enterprise Risk Lead spoke to their report, noting the changes to the reporting structure of risks, increasing status of risks, and the global status of risks. They responded to questions from Members concerning the updated reporting of risks, requirement for risk related information to be easily available, and mitigation of potential risks.

**Staff Action:** Staff undertook to amend the identified list of controls concerning Strategic Risks 1 and 4.

**Resolved:** (Mr Robertson/Maangai Kana)

That the Strategic Risk and Assurance Committee receives the report.

- 9. PwC - Internal Audit Update and Report**

The General Manager People and Organisational Performance, Aaron Steele and Matt White (PricewaterhouseCoopers) spoke to the report, noting the changes to the proposed audit plan timeline, Council business continuity plans, and contractor health and safety requirements. Staff

responded to questions from Members concerning internal audit resourcing changes and capacity, internal audit conflicts of interest, contractor health and safety insurance, recommendations from PricewaterhouseCoopers, Council maturity rating, reporting timelines, safety and wellness reporting, business continuity management and emergency management.

**Staff Action:** *Staff undertook to report to the appropriate Committee in early 2023 concerning outcomes from the new internal audit resourcing trial.*

**Resolved:** (Mr Robertson/Maangai Kana)

That the Strategic Risk and Assurance Committee receives the report.

**The meeting was adjourned from 11.04am to 11.21am**

*Cr Macpherson retired from the meeting during the above adjournment.*

#### **10. Organisational Improvement Report**

The Financial Director took the report as read. She responded to questions from Members concerning reporting of high risk recommendations.

**Staff Action:** *Staff undertook to update Members on the outstanding Cyber Risk Phase 1 recommendations.*

**Resolved:** (Cr Pascoe/Cr van Oosten)

That the Strategic Risk and Assurance Committee receives the report.

#### **11. 2022 Annual Report Update**

The Financial Director and Naude Kotze and Clarence Susan (Audit NZ) spoke to the report, noting the changes to the staff recommendation, the Annual Report audit timeline, emphases of matter, process for confirming the final Annual Report and management letter, and software as a service. They responded to questions from Members concerning the effect of local government reform, timeline of audit reporting, and qualification and emphasis of matters.

**Resolved:** (Mr Robertson/Cr Pascoe)

That the Strategic Risk and Assurance Committee:

- a) receives the report;
- b) notes that the 2022-2025 Council will be asked to complete the audit requirements in relation to the 2021/22 Annual Report;
- c) notes that the Annual Report is effectively the accountability of the current council, and as such the 2019-2022 Council have considered the representations required of the Council at the point of adopting the Annual Report and receiving the audit opinion; and
- d) notes that, having considered the probable required representations at 14 September 2022, the Strategic Risk and Assurance Committee provides assurance to the 2022-2025 Council that the Letter of Representation can be signed subject to any matters that may arise between 14 September 2022 and the date of signing.

#### **12. Compliance Reporting Update**

The Governance and Assurance Manager took the report as read. She responded to questions from Members concerning security around our protected disclosure processes.

**Staff Action:** *Staff undertook to review the need for a management policy on speaking up, separate from the Protected Disclosure Policy.*

**Resolved:** (Mr Robertson/Cr van Oosten)

That the Strategic Risk and Assurance Committee receives the report.

**13. Strategic Risk and Assurance Committee - Annual Self Review (Recommendation to the Council)**

The Chair spoke to the report noting the safety and risk system improvements made over the triennium, cyber risks, the current terms of reference, health safety and wellness and cyber security ownership within Council terms of reference, and thanked the Committee for their work.

**Resolved:** (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee:

- a) receives the report; and
- b) recommends that the Council receives the report.

*Mayor Southgate retired from the meeting (11.57am) during the discussion of the above item. She was not present when the matter was voted on.*

**14. Resolution to Exclude the Public**

**Resolved:** (Mr Robertson/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 be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Strategic Risk and Assurance Committee Public Excluded Minutes - 9 June 2022	) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Gas Utility Service Strikes	)	
C3. Legal Risks - Committee Update		
C4. Loss of Information or Access to Systems (Cyber Risk)		

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 prevent the disclosure or use of official Section 7 (2) (j)

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|          | information for improper gain or improper advantage  |                        |
| Item C2. | to avoid the unreasonably, likely prejudice to the commercial position of a person who supplied or is the subject of the information | Section 7 (2) (b) (ii) |
| Item C3. | to maintain legal professional privilege   | Section 7 (2) (g)      |
| Item C4. | to prevent disclosure of a trade secret  | Section 7 (2) (b) (i)  |
|          | 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 12.02pm.**

**The meeting was declared closed at 12.57pm.**