



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Risk and Assurance Committee Workshop

Thursday 20 June 2024
Council Chambers,
28-32 Ruataniwha Street, Waipawa

Together we thrive! E ora ngātahi ana!

1 RISK AND ASSURANCE COMMITTEE WORKSHOP

Author: Doug Tate, Chief Executive

Authoriser: Doug Tate, Chief Executive

Attachments: 1. **20 June 2024 - Risk and Assurance Public Workshop Presentation**
[↓](#)

PURPOSE

This workshop covered one item being the Risk Register where the Committee discussed a section of the items on the Risk Register in detail.

The Risk Maturity Review recommended the Committee discuss a quarter of the Risk Register in detail at each Committee meeting (covering all items on the register across the course of the year).

This also provided an opportunity for the Committee to provide feedback on the risk appetite settings of each risk.



Public Risk and Assurance Workshop

20 June 2024



Together we thrive!



Risk Register

20 June 2024



Together we thrive!

Purpose

This workshop session is for the Committee to discuss in detail the items on the risk register.

The Risk Maturity Review recommended the Committee discuss $\frac{1}{4}$ of the risk register in detail each Committee meeting (covering all items on the register across the course of a year).

This is also an opportunity for the Committee to provide feedback on the risk appetite settings of each risk.

Risk Appetite	Risk Title	Risk Description	Risk Owner who is accountable	Inherent Risk	Risk Mitigation - BAU Controls - what are we doing to minimise the risk	Q1 2024	Q2 2024	Q3 2024	Q4 2024
	Proud District - Central Hawke's Bay is proud of its identity and place in our region and nation								
	Council loses or reduces its credibility or social licence to operate	Council loses or reduces its credibility or social licence to lead the community through its actions or behaviours. Council leads its community through a mandate given to its elected members, should this be damaged, its ability to lead the community will be negatively impacted.	ELT		Ensuring Council vision and values align with those of the community and their expectations. Following through on commitments to community. Clear communication and engagement activities. Community forums. Websites and social media. Open democratic procedures			↑	

Risk Appetite	Risk Title	Risk Description	Risk Owner who is accountable	Inherent Risk	Risk Mitigation - BAU Controls - what are we doing to minimise the risk	Q1 2024	Q2 2024	Q3 2024	Q4 2024
	Connected Citizens								
	Council's business is significantly interrupted affecting its ability to operate	Business interruption caused by some unexpected event impacting on service delivery.	Brent Chamberlain		Council buys Business Interruption Insurance as part of its insurance suite. This policy is designed to cover the additional cost of delivering services due to damaged infrastructure insured under Councils Material Damage Policy. Council needs to develop a series of business continuity plans for various scenarios - Earthquake, Cyclone, Pandemic, Loss of Power, Loss of Transport connectivity, Loss of Communication Links, Cyber Attack. Each sceanrio would impact different parts of Council differently.				
	Cyber Security interruption	Disruption to services impacting on the community and staff as the result of IT systems failure. Increasing sophistication of cyber security attacks may cause Council to be unable to defend a significant cyber-attack, resulting in an inability to communicate through normal channels, operate core functions or stand up a response, severely impacting Councils reputation and potential legal implications and /or fines.	Susan Blair		Council has numerous soft (governance) and hard (cyber protection tools) controls in place. Audits are undertaken using external cyber security experts to ensure ongoing improvement in Councils overall security posture. Council shares both soft and hard controls with other Councils in Hawkes Bay to foster regional capacity in the event of a cyber incident. A 5 part Cyber Security Implementation Plan was started in 2022 and is due for completion in 2024. Progress of this implementation plan has been reported to R & A periodically.				



Risk Appetite	Risk Title	Risk Description	Risk Owner who is accountable	Inherent Risk	Risk Mitigation - BAU Controls - what are we doing to minimise the risk	Q1 2024	Q2 2024	Q3 2024	Q4 2024
	Inadequate civil defence response	Councils ability to reduce, be ready, respond or recover from future emergency events are not at the standard our community expects or deserve. Failure to respond adequately during a civil defence emergency results in undue harm to members of the community and delays in restoring the district to an operational basis.	Dennise Elers		Regional and local civil defence planning, implementing improvement actions following Cyclone Gabrielle, participating in regional and local CDEM reviews with improvement actions to implement. Supporting community resilience.				
	The risk of tsunami	Severe weather events and climate change effects impacting community. Sea level rise affects coastal communities resulting in loss or damage to private property and council facilities.	Dennise Elers		Ensure that AMPs, work programmes and contracts consider High Impact Local Probability (HILP) events for weather. Appropriate civil defence and evacuation readiness planning undertaken with community.				
	The risk of a flooding event	Severe weather events that result in flooding (such as Cyclone Gabrielle) and climate change effects impacting community wellbeing.	Dennise Elers		Currently working with those properties in flood affected areas in conjunction with HBRC to set appropriate interim floor levels for building consents to mitigate risk.				



Risk Appetite	Risk Title	Risk Description	Risk Owner who is accountable	Inherent Risk	Risk Mitigation - BAU Controls - what are we doing to minimise the risk	Q1 2024	Q2 2024	Q3 2024	Q4 2024
	Strong Communities								
	Inadequate staffing capacity and capability to deliver Council's objectives	People and workforce - capability challenges regarding the ability to recruit staff with the desired levels of skill and experience. Shortage of skilled staff impacts on ability to deliver services to the community.	Adrienne Martin		Council uses external contract support to manage internal vacancies to deliver services at a level the customer expects. Actively engaging recruitment support that has a wider national reach to attract candidates to Central Hawke's Bay. Rolling out employer brand project to promote Council to prospective employees.				
	Inability to recruit business critical roles - specifically at ELT or 3rd tier management level	Council has specific hard to fill technical vacancies that are being seen at a national level. Previously Council has had difficulty in CID recruitment in particular - the GM - CID role, Water, Resource Consenting, Comms and Land Transport.	Adrienne Martin		CE and ELT agree to key roles within the organisation and have established a prioritisation approach. Regular updates on staffing to ELT, annual review of key roles, offering competitive salary. We accept there will always be this risk with staff turnover, but can mitigate this with the use of short term contractors or distributing business critical work elsewhere.				
	Health & Safety - Failure to create and maintain safe council facilities and a safe environment for the community and staff	There is a risk that CHBDC staff and contractors will be exposed to hazards that could lead to death or irreversible injury or illness or deterioration in health, during the course of their work. Failure to create and maintain safe council facilities and a safe environment for the community leading to death or serious injury.	Adrienne Martin		Ensure all contractors are pre-qualified for work on the network through Site Wise or the Council pre-qualification process. Creation of top-level framework/structure document to guide subsequent policies, procedures. Development and roll-out of critical health and safety risk control standards in collaboration with staff and contractors.				
11	Unknown ongoing viability of the Centralines Aquatic Centre and risk of ratepayer investment	Should the Trust choose to fold then as per the Trust Deed it will default back to Council ownership and require rate payer funding. The 2024 repairs have a 7-8 year life.	Dennise Elers		In contact with the Trust on a regular basis to understand and to support their future direction.			New	



