

**MINUTES OF CENTRAL HAWKE'S BAY DISTRICT COUNCIL
RISK AND ASSURANCE COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON WEDNESDAY, 12 MARCH 2025 AT 1.00PM**

UNCONFIRMED

PRESENT: Chair Andrew Gibbs
Deputy Chair Tim Aitken
Mayor Alex Walker
Cr Pip Burne
Independent Member Mike Timmer

IN ATTENDANCE: Doug Tate (Chief Executive)
Nicola Bousfield (Group Manager People and Business Enablement)
Brent Chamberlain (Chief Financial Officer)
Dylan Muggerridge (Group Manager Strategic Planning & Development)
Mark Kinvig (Group Manager Community Infrastructure and Development)

Jane Budge (Strategic Governance Manager)
Lianne Austin, Ernst & Young
Stuart Mutch, Ernst & Young
Kieron Wright, Ernst & Young
Ben Swinburne (3 Waters Manager)
Annelie Roets (Governance Lead)

1 KARAKIA

The Chair, Andrew Gibbs welcomed everyone to the meeting and Her Worship, The Mayor Alex Walker opened with a karakia.

2 APOLOGIES

There were no apologies received.

3 DECLARATIONS OF CONFLICTS OF INTEREST

There were no Declarations of Conflict of Interest received.

4 STANDING ORDERS

COMMITTEE RESOLUTION: 25.1

Moved: Mayor Alex Walker

Seconded: Cr Pip Burne

That the following standing orders are suspended for the duration of the meeting:

- 21.2 Time limits on speakers.
- 21.5 Members may speak only once.
- 21.6 Limits on number of speakers.

And that Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner.

CARRIED

6 REPORT SECTION

6.2 AUDIT PLAN - 2024/25 FINANCIAL YEAR

PURPOSE

The purpose of this report is to receive the 2025 Annual Audit Plan.

Mr Stuart Mutch from Ernst Young will be in attendance online for this meeting.

COMMITTEE RESOLUTION: 25.2

Moved: Deputy Chair Tim Aitken

Seconded: Mayor Alex Walker

That the Risk & Assurance Committee notes and receives the Audit Plan for the 2024/25 Financial Year.

CARRIED

Brent Chamberlain introduced the audit team for the year, including Stuart Mutch, Leanne Austin, and Kieron Wright. Leanne and Stuart provided further details on the audit plan:

- Leanne Austin is the new lead for 2025.
- Focus areas to include rates, grants, expenditure, debt, cyclone recovery, and infrastructure.
- Emphasis on the importance of timely completion and the impact of Three Waters reform.
- Discussion on audit fees and the additional work required due to Cyclone Gabrielle and revaluations. Test the fees at the next Long-term Plan.

5 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION: 25.3

Moved: Cr Pip Burne

Seconded: Mayor Alex Walker

That the minutes of the Risk and Assurance Committee Meeting held on 11 December 2024 as circulated, be confirmed as true and correct.

CARRIED

6.1 RESOLUTION & ACTION MONITORING REPORT

PURPOSE

The purpose of this report is to present to the Committee the Risk and Assurance Committee Resolution Monitoring Report. This report seeks to ensure the Committee has visibility over work that is progressing, following resolutions made by the Committee.

COMMITTEE RESOLUTION

Moved: Cr Pip Burne

Seconded: Deputy Chair Tim Aitken

That the Risk & Assurance Committee notes the 'Resolution & Action Monitoring Report'.

CARRIED

The report was introduced by Doug Tate and taken as read.

Insurance Renewal Processes and Loss Modelling:

- AON has asked all the Hawke's Bay councils to re-evaluate their loss modelling.
- Central Hawkes Bay has expressed interest in participating.
- If a regional approach does not proceed, an independent local reassessment will be considered.
- AON aims to complete its assessments by March-April in readiness for the new financial year.

Progress on Actions from August Last Year:

- It is noted that these processes can be lengthy and involve multiple stakeholders.
- Ensuring timely completion was emphasised to avoid delays.

6.3 RISK STATUS REPORT**PURPOSE**

The purpose of this paper is to report on Council's risk landscape, risk management work in progress and to continue a discussion with the Risk & Assurance Committee about risk.

COMMITTEE RESOLUTION: 25.4

Moved: Independent Member Mike Timmer

Seconded: Mayor Alex Walker

That the Risk & Assurance Committee notes the Risk Status Report.

CARRIED

Nicola Bousfield introduced the report with discussion noting:

- New risks related to local water reform, landfill volume, and roading recovery.
- Transparent engagement and communication with the community.
- Updates on drinking water risks and operational technology assessments.

6.4 HEALTH AND SAFETY REPORT: 1 NOVEMBER 2024 - 31 JANUARY 2025**PURPOSE**

To provide the Risk and Assurance Committee with health, safety and wellbeing information and insight, and to update the committee on key health and safety initiatives for the period 1 November 2024 to 31 January 2025.

COMMITTEE RESOLUTION

Moved: Cr Pip Burne

Seconded: Deputy Chair Tim Aitken

That the Risk & Assurance Committee notes the 'Health & Safety report dated 1 November 2024 – 31 January 2025.

CARRIED

Michelle Annand presented the report as read and discussions noted:

- Highlighted the well-being initiatives, contractor reporting, and the need for ongoing training and support for staff.
- A notifiable incident involving a contractor, but which was outside the reporting period.

6.5 HEALTH, SAFETY & WELLBEING GOVERNANCE CHARTER

PURPOSE

To adopt minor changes to the Health, Safety and Wellbeing Governance Charter following a scheduled review.

RECOMMENDATION

~~That the Risk and Assurance Committee adopts the recommended changes to the Health, Safety & Wellbeing Governance Charter.~~

Doug Tate introduced the report. Discussion included:

- Ensuring it reflects the specific needs and context of Central Hawkes Bay District Council.
- Includes legislative requirements but lacks specific details about the council's business model and operational context.
- More specific information to be included about the council's contractor business model and the unique aspects of its operations.
- Aligning with practical implementation and reporting processes was emphasised.
- It was agreed to leave the recommendation on the table to incorporate feedback from the meeting.

6.6 TREASURY MANAGEMENT MONITORING REPORT

PURPOSE

The purpose of this report is to provide an update on Treasury Management Policy Compliance.

COMMITTEE RESOLUTION: 25.5

Moved: Mayor Alex Walker

Seconded: Deputy Chair Tim Aitken

That the Risk and Assurance Committee notes the Treasury Management Monitoring Report.

CARRIED

Brent Chamberlain presented the Treasury Management report, noting the stable interest rates and Council's compliance with policy. Discussion included:

- Debt and the interest rate yield curve.
- The impact of the construction season on council funds.

6.7 ELECTED MEMBERS EXPENSES FOR 1 JULY - 31 JANUARY 2025

PURPOSE

To update the Committee on Elected Members' Expenses on the most recent reporting period from 1 July 2024 to 31 January 2025.

COMMITTEE RESOLUTION: 25.6

Moved: Independent Member Mike Timmer

Seconded: Chair Andrew Gibbs

That the Risk & Assurance Committee notes the Elected Members Expenses for 1 July 2024 to 31 January 2025.

CARRIED

Brent Chamberlain presented the paper which was taken as read.

6.8 EMISSIONS TRADING SCHEME - UPDATE

PURPOSE

The purpose of this report is to provide an overview and update on how the Council participates in the Emissions Trading Scheme (ETS), and how we protect ourselves from fluctuating carbon credit prices. It also outlines the next steps proposed to continue to lift Council's maturity in the management of the scheme.

COMMITTEE RESOLUTIONS: 25.7

Moved: Mayor Alex Walker

Seconded: Cr Pip Burne

That the Risk & Assurance Committee:

- 1. Notes the Emissions Trading Scheme update.**
- 2 Recommends, with suggested changes, that the Finance, Infrastructure and Performance Committee considers the adoption of the draft Emissions Trading Scheme – Carbon Credit Policy.**

CARRIED

Brent Chamberlain provided an update on the Emissions Trading Scheme, including Councils current carbon credit holdings and the draft policy for managing carbon credits. The committee discussed the need for a clear strategy and regular reporting. Amendments to include:

- Add the process used between CHB and the bank.
- Consideration of the impact of landfill consent and neighbouring Councils, and potential loss of the Tararua contract.
- Correct General Manager ie CFO not the GM Community, Infrastructure and Development.
- Incorporate a future strategy.

Amendments to be circulated via email prior to submitting to the Finance, Infrastructure and Performance Committee.

7 DATE OF NEXT MEETING

COMMITTEE RESOLUTION: 25.8

Moved: Cr Pip Burne
 Seconded: Mayor Alex Walker

That the next meeting of the Risk & Assurance Committee be held on 11 June 2025.

CARRIED

8. PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION: 25.9

Moved: Cr Pip Burne
 Seconded: Deputy Chair Tim Aitken

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 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 for the passing of this resolution
<p>8.1 - Principal Risks and Issues - Forum Discussion</p>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(f)(ii) - the withholding of the information is necessary to maintain the effective conduct of public affairs through the protection of Council members, officers, employees, and persons from improper pressure or harassment</p>	<p>s48(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 6 or section 7</p>

CARRIED

COMMITTEE RESOLUTION: 25.10

Moved: Cr Pip Burne
 Seconded: Deputy Chair Tim Aitken

That the Risk & Assurance Committee moves into Public Excluded Business at 3.24pm.

CARRIED

COMMITTEE RESOLUTION: 25.11

Moved: Cr Pip Burne
Seconded: Mayor Alex Walker

That the Risk & Assurance Committee moves out of Public Excluded Business at 4.07pm.

9 TIME OF CLOSURE

The Meeting closed at 4.07pm.

The minutes of this meeting will be confirmed at the next Risk & Assurance Committee meeting to be held on 11 June 2025.

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CHAIRPERSON