



RANGITIKEI
DISTRICT COUNCIL
Making this place home.

ORDER PAPER

RISK AND ASSURANCE COMMITTEE MEETING

Date: Thursday, 21 September 2023

Time: 9.00am

Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Chair: Mr Philip Jones

Membership: Cr Fi Dalgety
Cr Simon Loudon
Cr Piki Te Ora Hiroa
Cr Dave Wilson
Cr Jarrod Calkin
HWTM Andy Watson

For any enquiries regarding this agenda, please contact:

Kezia Spence, Governance Advisor, 0800 422 522 (ext. 917), or via email

kezia.spence@rangitikei.govt.nz

Contact:	0800 422 522 info@rangitikei.govt.nz www.rangitikei.govt.nz (06) 327 0099				
Locations:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <u>Marton</u> Head Office 46 High Street Marton </td> <td style="width: 50%; vertical-align: top;"> <u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls </td> </tr> <tr> <td style="vertical-align: top;"> <u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape </td> <td></td> </tr> </table>	<u>Marton</u> Head Office 46 High Street Marton	<u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls	<u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape	
<u>Marton</u> Head Office 46 High Street Marton	<u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls				
<u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape					
Postal Address:	Private Bag 1102, Marton 4741				
Fax:	(06) 327 6970				

Notice is hereby given that an Risk and Assurance Committee Meeting of the Rangitikei District Council will be held in the Council Chamber, Rangitikei District Council, 46 High Street, Marton on Thursday, 21 September 2023 at 9.30am.

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AGENDA

1 Welcome / Prayer

2 Apologies

3 Public Forum

4 Conflict of Interest Declarations

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

5 Confirmation of Order of Business

That, taking into account the explanation provided why the item is not on the meeting agenda and why the discussion of the item cannot be delayed until a subsequent meeting, [enter item number](#) be dealt as a late item at this meeting.

6 Confirmation of Minutes

6.1 Confirmation of Minutes

Author: Kezia Spence, Governance Advisor

1. Reason for Report

- 1.1 The minutes from Risk and Assurance Committee Meeting held on 22 June 2023 are attached.

Attachments

1. Risk and Assurance Committee Meeting - 22 June 2023

Recommendation

That the minutes of Risk and Assurance Committee Meeting held on 22 June 2023 [**as amended/without amendment**] be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

MINUTES

ITEM 6.1

ATTACHMENT 1

UNCONFIRMED: RISK AND ASSURANCE COMMITTEE MEETING

Date: Thursday, 22 June 2023
Time: 9.30am
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present Mr Philip Jones
Cr Fi Dalgety
Cr Piki Te Ora Hiroa
Cr Simon Loudon
Cr Dave Wilson
HWTM Andy Watson

In attendance Cr Jarrod Calkin
Mr Peter Beggs, Chief Executive
Ms Gaylene Prince, Group Manager-Community Services
Mrs Carol Gordon, Group Manager-Democracy and Planning
Mr Dave Tombs, Group Manager-Corporate Services
Ms Sharon Grant, Group Manager-People and Performance
Mr Matt Gordon- Health, Safety and Wellbeing Advisor
Ms Kezia Spence, Governance Advisor
Mr Chris Webby- Audit NZ

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1 Welcome / Prayer

Mr Philip Jones opened the meeting at 9.32am.

2 Apologies

No apologies were received.

3 Public Forum

There was no public forum.

4 Conflict of Interest Declarations

5 Confirmation of Order of Business

Mr Chris Webby, Audit NZ was in attendance for items 10.1 and 10.2 which were moved to accommodate Mr Webby's attendance.

6 Confirmation of Minutes

Page 12- Section 10.8

His Worship the Mayor spoke of staff being risk averse because of their role.

Resolved minute number 23/ARK/017

That the minutes of Risk and Assurance Committee Meeting held on 15 March 2023 **as amended** be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

Mr Jones/HWTM A Watson. Carried

7 Follow-up Action Items

7.1 Follow-up Action Items from Risk and Assurance Meetings

Item 3

There likely needs to be further discussion with the Chair and CE in regards to this item.

Item 6

The Chair advised that there should be meetings held to update the board on what is going on.

Resolved minute number 23/ARK/018

That the report 'Follow-up Action Items from Risk and Assurance Meetings' be received.

Mr Jones/Cr D Wilson. Carried

8 Chair's Report

8.1 Chair's Report - June 2023

The committee discussed that there are risks from a lack of knowledge of timeframes and impacts of legislative change.

Mr Jones spoke of the future of local government and that post reforms, such as three waters, council needs to advocate for the delivery of services to the community.

Resolved minute number 23/ARK/019

That the Chair's Report –June 2023 be received.

Mr Jones/Cr S Loudon. Carried

9 Reports for Decision

9.1 Strategic Risk Deep Dive

Mrs Grant took the Committee through the report and referenced the recommendation at the last meeting to undertake a deep dive into each risk.

Mr Jones spoke of the climate change responsiveness and that this may be the next topic to deep dive into but this is likely to change.

Resolved minute number 23/ARK/020

That the report on Strategic Risk Deep Dive is received.

Mr Jones/Cr F Dalgety. Carried

9.2 Health, Safety and Wellbeing Update

Mrs Grant responded to questions that the E-Road rating is used for driver rating data. Those who are scoring 2-3 stars are the priority to support.

Mrs Grant responded to further questions regarding managing contractors, all contractors are required to sign up through site wise and noting this is part of Council's procurement policy.

The charter will be signed by His Worship the Mayor on behalf of elected members.

Resolved minute number 23/ARK/021

That the Health, Safety and Wellbeing Report together with attachments, be received.

HWTM A Watson/Cr F Dalgety. Carried

Resolved minute number 23/ARK/022

That the Risk and Assurance Committee recommends Council endorses the revised Health, Safety and Wellbeing Governance Charter, without amendment.

HWTM A Watson/Cr F Dalgety. Carried

Resolved minute number 23/ARK/023

That the Risk and Assurance Committee endorses the revised Health, Safety and Wellbeing in the Workplace Policy, without amendment.

HWTM A Watson/Cr F Dalgety. Carried

9.3 Review of Staff Code of Conduct

Mrs Grant assured elected members this will be recirculated to staff.

Resolved minute number 23/ARK/024

That the report on Review of Staff Code of Conduct is received.

Mr Jones/Cr Piki Te Ora Hiroa. Carried

Resolved minute number 23/ARK/025

That the revised Standards of Integrity and Conduct policy is supported by the Risk and Assurance Committee.

Mr Jones/Cr Piki Te Ora Hiroa. Carried

10 Reports for Information

10.1 2021/22 Audit NZ Management Letter

Mr Webby spoke of the ongoing changes and uncertainty such as 3 waters. Mr Tombs noted that the Annual Report is largely backward looking rather than forward looking, such as the Annual Plan or Long term Plan.

The committee discussed the delay last year and Mr Tombs assured the Committee that staff have already started the process for the upcoming Annual Report. The committee requested staff continue to update Finance and Performance committee on the progress.

There were many reasons why this has not been delivered in a timely manner this year, such as Covid, council staff needing to engage consultants to provide audited water related information, and staffing issues at Audit NZ. Mr Beggs noted that the letter made it clear where Council had caused the delays but not Audit NZ.

Mr Webby and Mr Tombs will be having further conversations on infrastructure valuations. Some councils are on different cycles to complete this.

Resolved minute number 23/ARK/026

That the report '2021/22 Audit NZ Management Letter' be received.

HWTM A Watson/Cr F Dalgety. Carried

10.2 Audit NZ Management Letter Points

There are 16 points outstanding and staff are working through these. Mr Webby will begin the process of going through the actions in September.

Resolved minute number 23/ARK/027

That the report 'Audit New Zealand Management Letter Points' be received.

Cr F Dalgety/Cr Piki Te Ora Hiroa. Carried

Meeting adjourned at 11.25am and reconvened at 11.32am

10.3 Privacy Update

Mrs Grant responded to questions that two of the breaches have occurred in the same area and advised further training will be provided to staff.

Resolved minute number 23/ARK/028

That the report 'Privacy Update' be received.

Mr Jones/Cr S Loudon. Carried

10.4 Risk and Assurance Committee Work Programme

The report was taken as read.

Resolved minute number 23/ARK/029

That the report 'Risk and Assurance Committee Work Programme' including fraud procedure policy and fraud bribery and corruption prevention policy, be received.

HWTM A Watson/Cr S Loudon. Carried

10.5 Protected Disclosures Update

The report was taken as read.

Resolved minute number 23/ARK/030

That the report 'Protected Disclosures Update' report be received.

Mr Jones/Cr S Loudon. Carried

10.6 Treasury Reporting

There was an error in the table in S3.1. A replacement table was emailed to committee members on 21 June.

Resolved minute number 23/ARK/031

That the report 'Treasury Reporting' be received.

Mr Jones/Cr F Dalgety. Carried

10.7 Internal Audit Programme

Mr Jones commented that it is positive that Council has a programme concerned with internal audit processes. Mr Jones recommended that at the September meeting there be an initial discussion as to what is wanted to be looked at.

Resolved minute number 23/ARK/032

That the report 'Internal Audit Programme' be received.

HWTM A Watson/Mr Jones. Carried

10.8 Fraud Reporting

The report was taken as read.

Resolved minute number 23/ARK/033

That the report 'Fraud Reporting' be received.

HWTM A Watson/Cr D Wilson. Carried

10.9 Summary of Management Accounts

The report was taken as read.

Resolved minute number 23/ARK/034

That the report 'Summary of Management Accounts' be received.

Cr S Loudon/Mr Jones. Carried

10.10 Sensitive Expenditure 2022/23 Financial Year Summary

Mr Jones requested that only significant costs from sensitive expenditure should be coming to the committee. Mr Tombs responded that this is part of the policy but the policy is under review and will be amended accordingly.

Resolved minute number 23/ARK/035

That the report 'Sensitive Expenditure 22/23 Financial Year Summary' be received.

Mr Jones/Cr Piki Te Ora Hiroa. Carried

11 Discussion Items**11.1 Insurance Update**

The committee noted that these matters had been discussed previously and that a working party will review Council's insurance strategy.

Resolved minute number 23/ARK/036

That the report 'Insurance Update' be received.

Cr D Wilson/Mr Jones. Carried

12 Public Excluded

The meeting went into public excluded session 12.02pm

Resolution to Exclude the Public**Resolved minute number 23/ARK/037**

That the public be excluded from the following parts of the proceedings of this meeting.

1. Cyber Security

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:

ITEM 6.1

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
12.1 - Cyber Security	s7(2)(j) - Improper Gain or Improper Advantage	s48(1)(a)(i)

ATTACHMENT 1

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

Cr D Wilson/Cr Piki Te Ora Hiroa. Carried

13 Open Meeting

The meeting went into open session 12.14pm.

Resolved minute number **23/ARK/039**

That the public excluded meeting move into an open meeting, and the below recommendations be confirmed in the open meeting:

22/RDC/038

Cr F Dalgety/Cr Piki Te Ora Hiroa. Carried

The meeting closed at 12.14pm.

The minutes of this meeting were confirmed at the Risk and Assurance held on 21 September 2023.

.....

Chairperson

7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from Risk and Assurance Meetings

Author: Kezia Spence, Governance Advisor

1. Reason for Report

1.1 On the list attached are items raised at previous Risk and Assurance meetings. Items indicate who is responsible for each follow up, and a brief status comment.

2. Decision Making Process

2.1 Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

Attachments:

1. **Follow-Up Actions Register** [↓](#)

Recommendation

That the report 'Follow-up Action Items from Risk and Assurance Meetings' be received.

Current Follow-up Actions

Item	From Meeting Date	Details	Person Assigned	Status Comments	Status
1	22-Jun-23	Audit timeframe be monitored by Finance Committee	Dave Tombs	Standing report prepared for September Finance and Performance Committee, which will be a 'repeat report' until the Annual Report has been adopted etc.	Completed
2	22-Jun-23	add column "strategic risk" next to work plan table	Dave Tombs	To be incorporated into the December reporting	Ongoing
3	22-Jun-23	Risk Policy to be reviewed 2024 (add this date into the work programme)	Dave Tombs	Added	Completed
4	22-Jun-23	Review sensitive expenditure policy and take out 6 monthly table that is currently being reported	Dave Tombs	Scheduled for ELT Review/Approval Sept 2023	Ongoing
5	22-Jun-23	Resend info to EMs re what to do if they receive phishing emails	Karin / Dave T	emails sent 12 June and 7 July 2023	Completed
6	15-Mar-23	Follow up with Audit Director to see the status of the RDC Engagement Letter	Dave Tombs	Advised to expect Engagement Letter during June 2023	Ongoing
7	15-Mar-23	Business Continuity Plan review be brought forward to 23/24 year (may need to delay another area to achieve this)	Dave Tombs	BCP moved to 2023/24; Procurement & Contract Management moved from 2023/24 to 2024/25 (to allow for impact of 3W Reforms to be better known)	Closed (subject to agreement of item that has been deferred)
8	15-Mar-23	What is the role of the Risk & Assurance Committee and independent chair to review council's major decisions (e.g. roading contract, shared services agreement etc)	Committee Members		
9	15-Mar-23	Develop protocols for EMs to speak to the Risk & Assurance Chair - develop these with CE and Phillip	Peter, Philip	Risk and Assurance Chair and Chief Executive agree open dialogue should exist between Elected Members and the Chair, and that the Chair will ensure all committee members are transparently kept updated on matters requiring their attention.	Ongoing
10	5-Sep-22	The Committee requested that staff highlight the agreement for shared services between the Rangitikei and Manawatu District Council's as an area of focus for the new Committee (after the election).	Arno Benadie	Future workshop discussion	In progress
11	10-Mar-22	As per resolution 22/ARK/004 : The report 'Rail Hub Project - Significant Risks and Mitigations (first draft)' contained in the 10 Mar 22 Order Paper is to be distributed to the Rail Hub Project Advisory Board, in order to seek their guidance in identifying 'tier 1 risks' associated with the project. Following the receipt of the Project Advisory Board's guidance, staff are to analyse these responses and present a formal report back to the Committee.	Arno Benadie	The MRH project is subject to the Environment Court decision and so this action is on hold until a decision has been received.	In progress
12	10-Mar-22	As per resolution 22/ARK/004 : Staff to consider the organisation-wide risk framework that is being used, taking into account the feedback from CouncilIMARK.	Dave Tombs	New Risk Management Framework is now in place	Completed

8 Chair's Report

8.1 Chair's Report - September 2023

Author: Philip Jones, Chair

1. Reason for Report

- 1.1 Mr Jones may provide a verbal update or a tabled report.

Recommendation

That the Chair's Report –September 2023 be received.

9 Reports for Decision

9.1 Health, Safety and Wellbeing Update

Author: Sharon Grant, Group Manager - People & Performance

Authoriser: Kevin Ross, Chief Executive

1. Reason for Report

- 1.1 This report provides an update on health, safety and wellbeing matters. The report includes the Health, Safety and Wellbeing Dashboards for June, July and August 2023 together with an update on due diligence activities and highlights from the Health, Safety and Wellbeing Work Programme.

2. Context

- 2.1 Elected Representatives are considered Officers under the Health and Safety at Work Act 2015 (Act). This means that they have an obligation to exercise due diligence in relation to health and safety matters. Due diligence is defined in section 44(4) of the Act as taking reasonable steps to:
 - 2.1.1 Acquire and update knowledge of health and safety matters; and
 - 2.1.2 Gain an understanding of the operations carried out by the organisation, and the hazards and risks generally associated with those operations; and
 - 2.1.3 Ensure the person conducting business or undertaking (PCBU) has appropriate resources and processes to eliminate or minimise those risks; and
 - 2.1.4 Ensure the PCBU has appropriate processes for receiving and considering information about incidents, hazards and risks, and for responding to that information in a timely way; and
 - 2.1.5 Ensure there are processes for complying with any duty, and that these are implemented; and
 - 2.1.6 Verify that these resources and processes are in place and being used.
- 2.2 Council's Health, Safety and Wellbeing Dashboards (Dashboards) provide monthly health, safety and wellbeing event data and year-to-date trends. The Dashboards support Elected Members to exercise their due diligence obligations by providing up-to-date information on incidents, hazards and risks, together with current activities and wellbeing initiatives.
- 2.3 Council is committed to continuous improvement across all aspects of workplace health, safety and wellbeing. Continuous improvement is achieved through actions identified in the Health, Safety and Wellbeing Due Diligence Plan and the Health, Safety and Wellbeing Work Programme.

3. Discussion

3.1 Health, Safety and Wellbeing Dashboards

- 3.1.1 The Dashboard for June, July and August 2023 are attached to this report.

- 3.1.2 The Dashboard reporting for June 2023 includes one event, one near miss and one hazard. The reported incident categories are abusive behaviour (event), slip, trip, fall (near miss) and security (hazard). The June 2023 Dashboard concludes the 2022/23 reporting year and represents 12 months of data. The most commonly reported incident categories for the 2022/23 year are abusive behaviour (19 reports), slip, trip, fall (10 reports), and motor vehicle (9 reports). These categories have all been focus areas within the Health, Safety and Wellbeing Workplan.
- 3.1.3 The Dashboard reporting for July 2023 includes one event, two near misses and two hazards. The reported incident categories are abusive behaviour (event), motor vehicle and slip, trip fall (near misses) and object strike and slip, trip, fall (hazards). It is noted that the July 2023 dashboard commences a new reporting year and as such only includes one month's data.
- 3.1.4 The Dashboard reporting for August 2023 includes three events, one hazard and one near miss. The reported incident categories are slip, trip, fall, plant/machinery, abusive behaviour and chemical exposure.
- 3.1.5 The most commonly reported event / near miss categories (year to date) are abusive behaviour, and slip, trip, fall.
- 3.1.6 There were no WorkSafe notifiable accidents or incidents for this reporting period.
- 3.1.7 All reported events, near misses and hazards have been appropriately investigated and corrective actions taken where required.

3.2 Health, Safety and Wellbeing Due Diligence Plan

- 3.2.1 The Health, Safety and Wellbeing Due Diligence Plan (Due Diligence Plan) supports Elected Members to meet due diligence requirements by providing opportunities for enhanced understanding of RDC's critical health, safety and wellbeing risks, and the controls for these risks. The Risk and Assurance Committee endorsed a revised Due Diligence Plan at its March 2023 meeting (attached for information).
- 3.2.2 Governance Health, Safety and Wellbeing Charter:

Following endorsement by the Risk and Assurance Committee (22 June 2023) the Governance Health, Safety and Wellbeing Charter was approved by Council on 25 July 2023. The signed document is displayed in Council Chambers.

3.3 Health, Safety and Wellbeing Work Programme

- 3.3.1 Processes for managing and verifying contractor health and safety:

A project is underway to improve the management and verification of contractor health and safety. In summary, the project includes:

- Scheduled systematic verification of contractor safety documents against Site Wise records.
- Review and verification of the health and safety aspects for engagement and onboarding processes for new contractors
- Enhanced training for internal contract managers including verification of contractor safety plans and site safety checks.

3.3.2 Health, safety and wellbeing highlights since the last report:

- Completion of content for new Health, Safety and Wellbeing Risk Management Framework and Health, Safety and Wellbeing Risk Register.
- Release of new online form for reporting incidents

3.3.3 Health, safety and wellbeing activities currently underway:

- Review of contractor health and safety management processes.
- Annual mole map checks.

3.3.4 Health, safety and wellbeing initiatives coming soon:

- Safe Plus Assessment

Attachments:

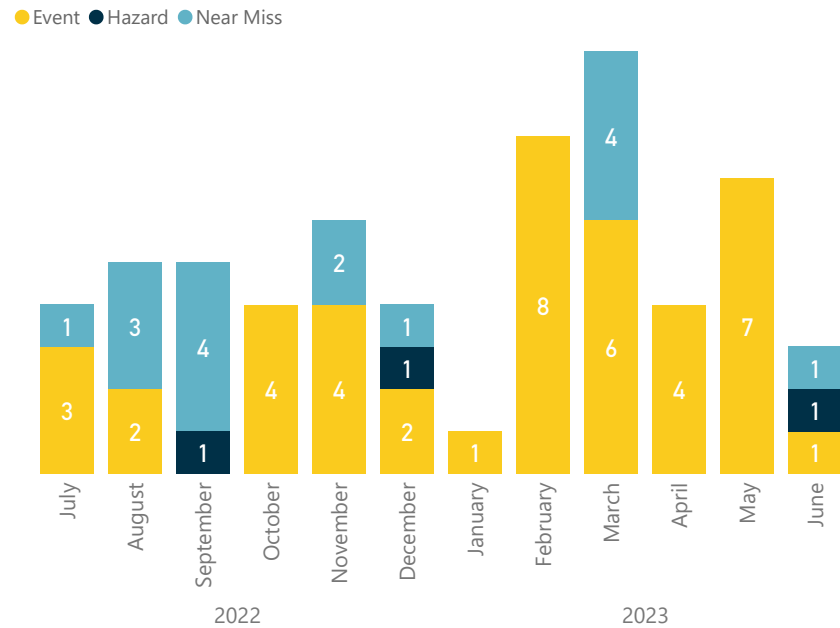
1. **Health, Safety and Wellbeing Dashboard, June 2023** [↓](#)
2. **Health, Safety and Wellbeing Dashboard, July 2023** [↓](#)
3. **Health, Safety and Wellbeing Dashboard August 2023** [↓](#)
4. **Health, Safety and Wellbeing Due Dilligance Plan 2023-2025** [↓](#)

Recommendation

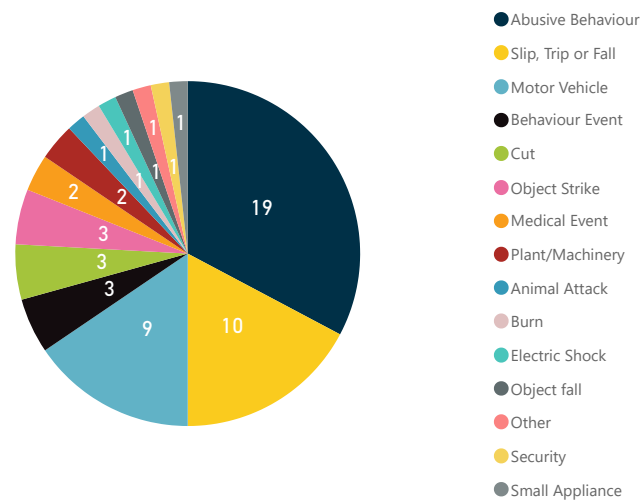
That the Health, Safety and Wellbeing Report together with attachments, be received.

Rangitīkei District Council Health & Safety

Events, Hazards and Near Misses 01 July 2022 to date



Event/Near Miss Category 01 July 2022 to date



Wellbeing News

Vehicle Safety Kits & Vehicle Incident / Accident Procedures Handbook
As part of our Safer Driver Framework - Waka Haumarū, we're adding vehicle Safety Kits and Incident / Accident handbooks to all RDC vehicles. These are designed to assist you if you're involved in, or are at the scene of an emergency situation. If you drive RDC vehicles, please make yourself familiar with the safety kits and handbook. If you have any questions, talk to Matt.

Boost your protection from winter ailments with Buccaline tablets
Buccaline tablets remain available to RDC staff. Those who received them in March are invited to receive a second round. To collect Buccaline tablets simply head into the Taihape, Marton or Bulls pharmacies and present your RDC Staff ID card.

Upcoming Training Opportunities
Mental Health First Aid Training - Tuesday 4th July.
Driver Simulator Training - Friday 28th July, Te Matapihi Bulls.

We're also arranging the following courses and looking for interest:
First Aid / First Aid Refresher Courses

If you are interested in any of these courses, please contact Matt to register your interest.

Last Month

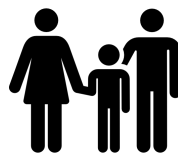
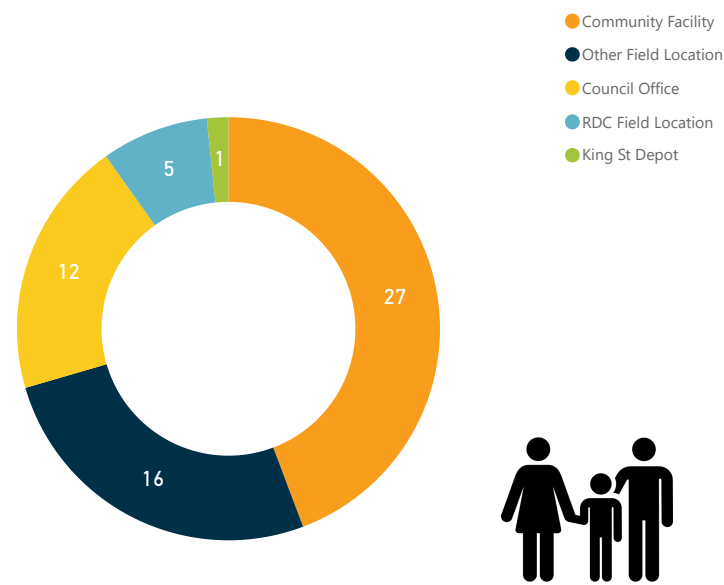
June 2023

1 Events
0 Notifiable Incidents
0 Notifiable Illness/Injuries

1 Near Misses
1 Hazards

Location

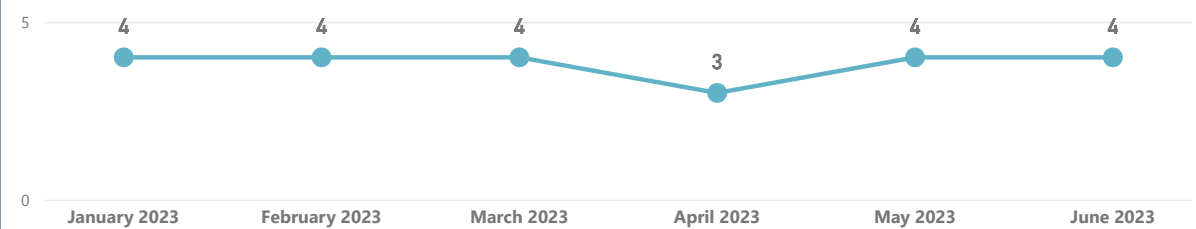
Events, Hazards and Near Misses



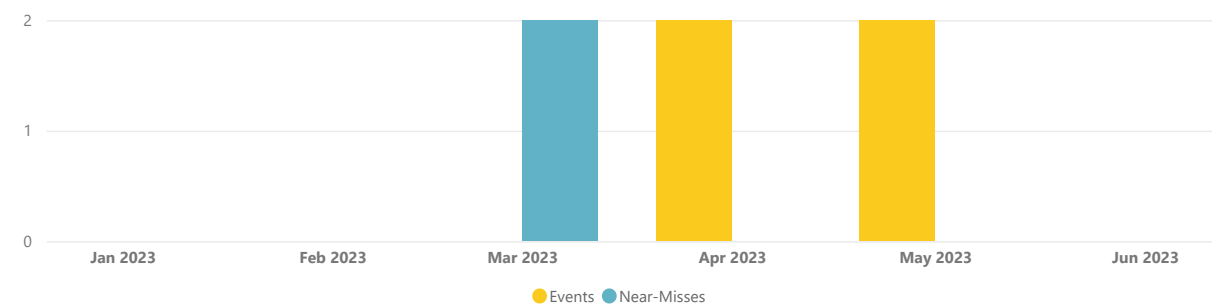
Average Driver Ratings

Ratings from E-Road Dashboard (Overspeed / Harsh Braking & Harsh Acceleration Events)

37% Completed Driver Safety Training

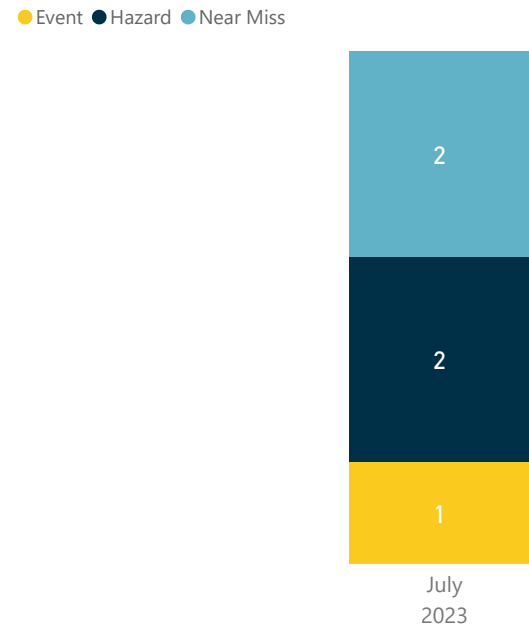


Vehicle Incidents

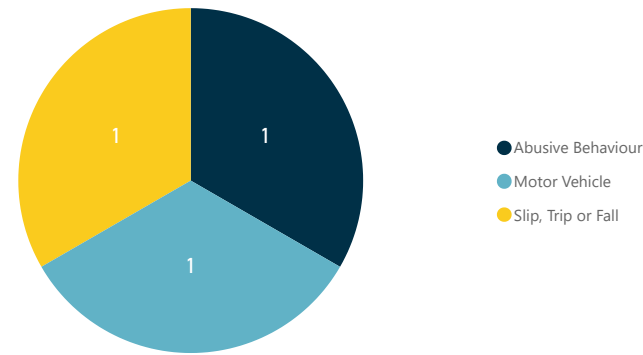


Rangitīkei District Council Health & Safety

Events, Hazards and Near Misses 01 July 2023 to date



Event/Near Miss Category 01 July 2023 to date



Wellbeing News

Wellbeing News

Stay well this winter

Winter bugs are increasing, and Covid-19 still has a presence. Please protect your own and others wellbeing by staying home if you are unwell. Flu Vaccinations and Buccaline Tablets can still be accessed through our Wellbeing Programme, and we have supplies of RATs, masks, and hand sanitizer available for all staff. We're continuing to monitor our Covid-19 Response Plan and are ready to scale up our response if required.

Upcoming HSW Training

Our 2023/24 Learning Plan - Mahere Ako includes a range of HSW learning opportunities such as situational safety, mental wellbeing and defensive driving. You will find Mahere Ako in the 'career and development' section of Kapua, or chat to Matt.

Reporting

Our new on-line Incident and Near Miss Reporting Form is now available on Kapua. You can use this to report accidents, near misses and hazards. Remember, that reporting near misses is just as important as reporting accidents. A near miss in any other circumstance could be an accident, so reporting helps prevention.

Last Month

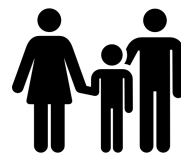
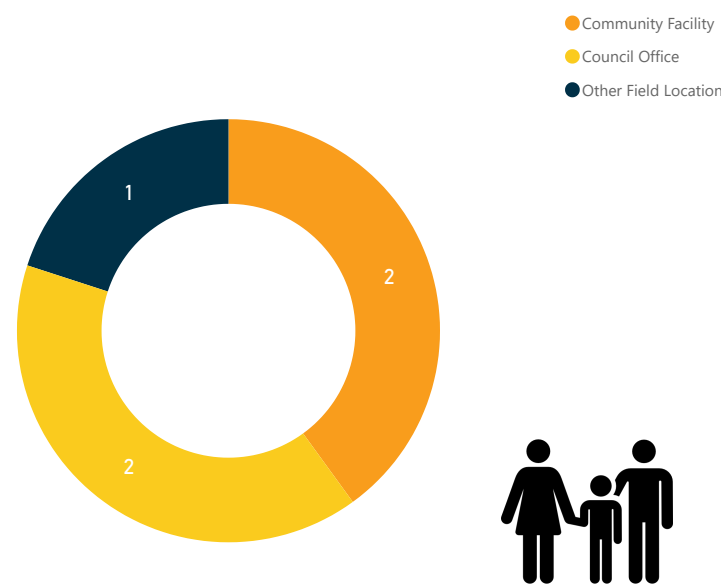
July 2023

1 Events
0 Notifiable Incidents
0 Notifiable Illness/Injuries

2 Near Misses
2 Hazards

Location

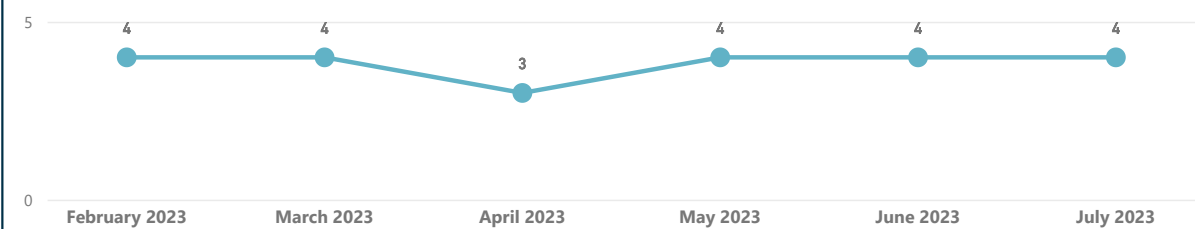
Events, Hazards and Near Misses



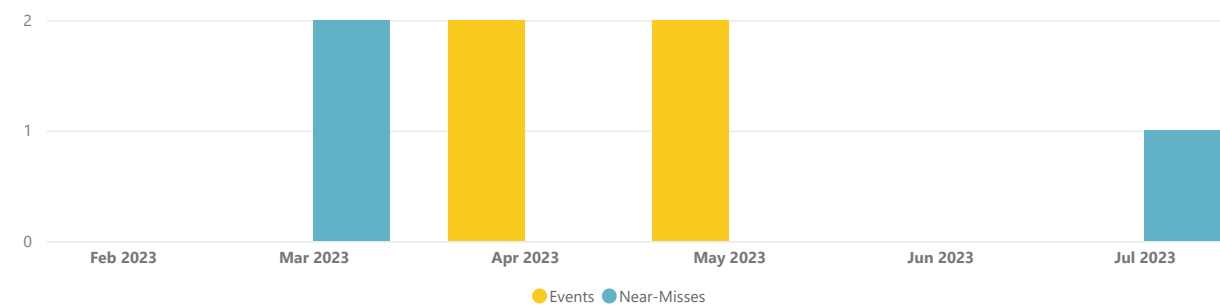
Average Driver Ratings

Ratings from E-Road Dashboard (Overspeed / Harsh Braking & Harsh Acceleration Events)

37% Completed Driver Safety Training

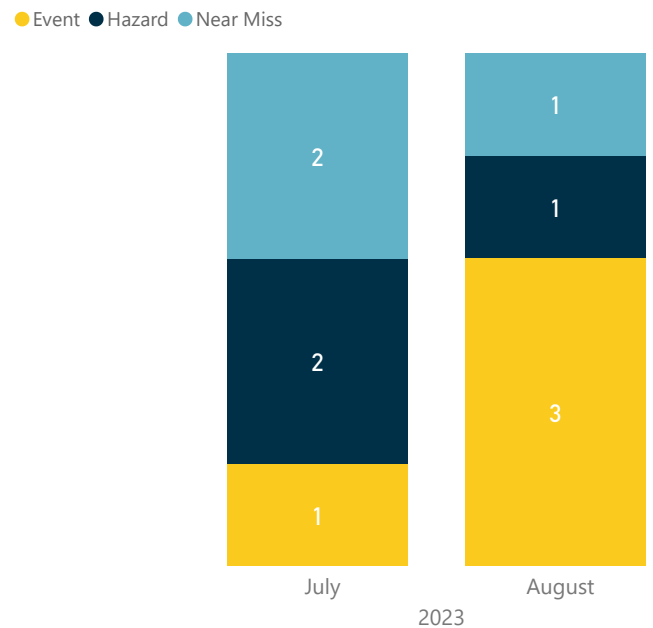


Vehicle Incidents

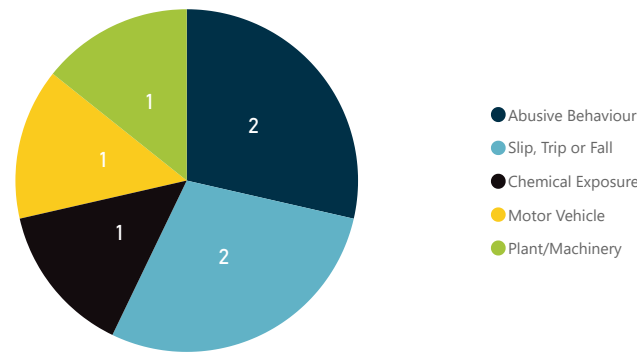


Rangitīkei District Council Health & Safety

Events, Hazards and Near Misses 01 July 2023 to date



Event/Near Miss Category 01 July 2023 to date



Wellbeing News

Wellbeing News

Psychological First Aid Course 17th October Te Matapihi Bulls

Psychological First Aid is a simple, yet powerful way of helping someone in distress, so they feel calm and supported in coping with challenges. We are offering to all staff the opportunity to attend the next Psychological First Aid Course being held at Te Matapihi in Bulls on Tuesday 17th October. If you're interested, please contact Matt to register your interest.

Mole Maps

Anyone wanting a full body Mole Map, there are still appointments available. This promotion is covered by My Everyday Wellbeing and is a great opportunity to get those weird shaped moles on your body checked out. If you're interested, please contact Marcelle for further information.

Reporting

Our new online Incident and Near Miss Reporting Form is now available on Kapua. You can use this to report accidents, near misses and hazards. Remember that reporting near misses is just as important as reporting accidents.

Neck and Shoulder Massages

Helen from the Kiwi Backrub company provides 15, 20 and 30 minute massage sessions for RDC staff every second Monday of the month. These take place in the Rata room at High Street. If you're interested in booking a Neck and Shoulder Massage or have any further questions, please contact Marcelle.

Last Month

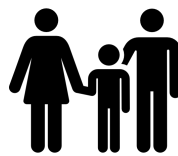
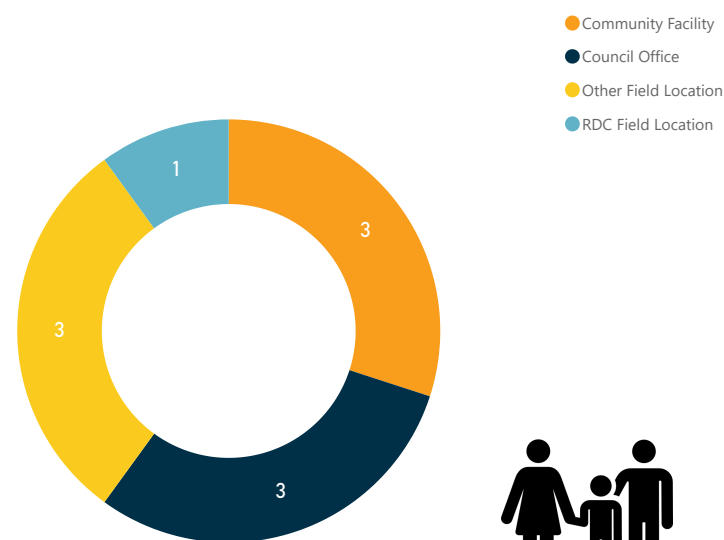
July 2023

3 Events
0 Notifiable Incidents
0 Notifiable Illness/Injuries

1 Near Misses
1 Hazards

Location

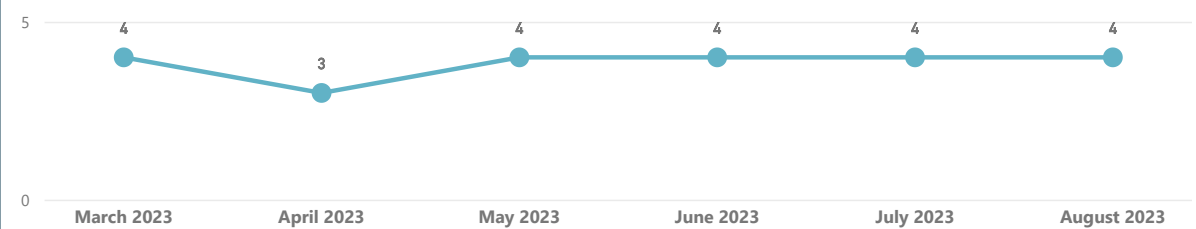
Events, Hazards and Near Misses



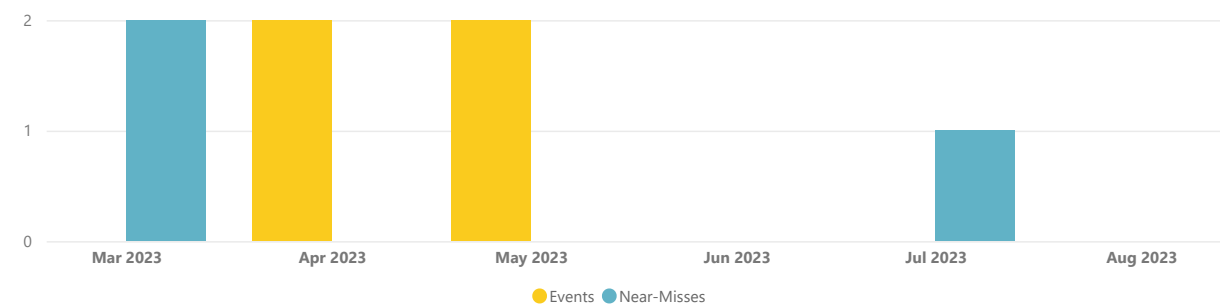
Average Driver Ratings

39% Completed Driver Safety Training

Ratings from E-Road Dashboard (Overspeed / Harsh Braking & Harsh Acceleration Events)



Vehicle Incidents



Health, Safety and Wellbeing Due Diligence Plan 2023 - 2025

This Due Diligence Plan is aligned to the Institute of Directors Health and Safety Guide: Good Governance for Directors (March 2016) and aims to enhance due diligence in health, safety and wellbeing (HS&W) leadership at Rangitikei District Council (RDC).

A positive and robust HS&W culture begins at the Council table and spreads throughout the organisation. The Health and Safety at Work Act places a duty on elected members – as Officers – to exercise due diligence to ensure that RDC complies with its health and safety duties and obligations.

Due diligence requires Officers to take reasonable steps to understand RDC’s operations and HS&W risks, and to ensure that they are managed so that everyone is safe. Due diligence is defined in the Health and Safety at Work Act as taking reasonable steps to:

- Acquire and update knowledge of health and safety matters
- Gain an understanding of the operations carried out by the organisation and the hazards and risks generally associated with those operations
- Ensure the organisation has, and uses, appropriate resources and processes to eliminate or minimise those risks
- Ensure the organisation has appropriate processes for receiving and considering information about incidents, hazards and risks, and for responding to that information in a timely way
- Ensure there are processes for complying with any duty, and that these are implemented
- Verify that these resources and processes are in place and being used.

This due diligence plan outlines the activities that will be undertaken to enhance elected member knowledge and understanding of HS&W matters. The plan is aligned to the elements of policy and planning, delivery, monitoring and review.

A key part of this plan is the ‘Work as Done’ sessions. The intent of these sessions is for the key staff responsible for each area to demonstrate the nature of their operations, the hazards and risks associated with those operations, and their HS&W approach and processes to eliminate or minimise those risks. Where appropriate, a site visit will be scheduled as part of this process.

Scheduled activities		Due diligence element				When
What	Who	Policy & planning	Delivery	Monitoring	Review	
Workshop on HS&W governance for new Elected Members	Council		*			TBC
Appoint / re-confirm Governance HS&W Champion	Council	*				TBC if required
Endorse HSW Due Diligence Plan, including HSW Reporting Structure	Risk and Assurance Committee	*				Complete
Review and endorse HSW Governance Charter	Risk and Assurance Committee	*			*	June 2023
Institute of Directors Advanced H&S Governance Training (on-line)	Governance HSW Champion (if new person appointed)		*			As required
Review and Endorse HS&W in the Workplace Policy	Audit and Risk Committee	*				June 2023
SafePlus Assessment	Whole organisation	*			*	Oct 2023
Review and endorse HSW Strategy	Risk and Assurance Committee	*			*	2024

Regular activities and reporting structure		Due diligence element				When
What	Who	Policy & planning	Delivery	Monitoring	Review	
Monthly HS&W Report (Dashboard)	Full Council CE and Executive Leadership Team			*		Monthly
Quarterly HS&W Report (full report), including update of HS&W incidents, innovations and other matters.	Risk and Assurance Committee			*		Quarterly
Full report of notifiable incidents or accidents	Risk and Assurance Committee			*		As needed
Work as Done Sessions (on-site experiences)	Elected Members Chief Executive, ELT, Officers.		*	*		Annually / as required
HS&W Committee Meetings	GM People and Performance Second ELT representative		*	*		Bimonthly
Review of HS&W Committee Meeting minutes and matters arising	CE and Executive Leadership Team		*	*	*	Bimonthly
Departmental HS&W Toolbox Meetings	Departmental GM's		*	*	*	Monthly
Updates / training on HS&W Matters	As appropriate		*			As needed

9.2 Treasury Management Policy - Update

Author: Dave Tombs, Group Manager - Corporate Services

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

- 1.1 To provide an updated Treasury Management Policy for the Risk and Assurance Committee to review and endorse.
- 1.2 Once endorsed the amended Treasury Management Policy will be presented to Finance and Performance Committee to review/endorse and to Council for Approval

2. Context

- 2.1 Council's Treasury Management Policy (TMP) was last reviewed and adopted in October 2020. Officers have proposed some changes to this as per this report.
- 2.2 The draft amended TMP has been amended for the following key matters as highlighted in the attachment to this Report:
 - 2.2.1 Section 3.3 recognises that Council has become a guaranteeing member of the Local Government Funding Agency ('LGFA': previously Council was an 'unrated' member); and
 - 2.2.2 Sections 3.4 and 3.5 recognise that two of the Borrowing Covenants have changed as a result of the change referred to in S2.2.1 of this Report
 - 2.2.3 Sections 3.4 and 3.5 have had the Examples updated to reflect more relevant financial figures
 - 2.2.4 Section 3.5 had had the reference to a 'suggested bank balance' removed. Officers regularly monitor cash flow requirements and manage the bank balance as appropriate (and report this to each Finance and Performance Committee meeting)
 - 2.2.5 Sections 3.6 and 3.8 have been updated to reflect current arrangements
 - 2.2.6 Section 3.9 has been removed as it is no longer relevant
 - 2.2.7 Minor amendments have been made to Sections 4.5 onwards

Note: Council consulted on becoming a guaranteeing member of the LGFA when consulting on its Long Term Plan ('LTP') 2021/31 and subsequently became a guaranteeing member in June 2022. Council conducted a detailed risk analysis and cost/benefit analysis of becoming a guaranteeing member of LGFA when considering its LTP 2021/31.

3. Financial Implications

- 3.1 The adoption of an inappropriate Treasury Management Policy could have significant negative impacts for Council's financial sustainability.

4. Impact on Strategic Risks

- 4.1 Refer S3.1 above.

5. Mana Whenua Implications

5.1 No significant direct implications have been identified.

6. Statutory Implications

6.1 The Treasury Management Policy incorporates two statutory policies (being the Liability Management Policy and the Investment Policy). These statutory policies are required under S102 of the Local Government Act 2002.

Attachments:

1. **Treasury Management Policy - draft** [↓](#)

Recommendation

That Risk and Assurance Committee approve the amendments to the Treasury Management Policy.

Financial SERVICES

TREASURY MANAGEMENT POLICY

Date of adoption: 22 October 2020

Resolution number: 20/RDC/391 Date by

which review

must be completed: September 2023

Relevant legislation: LGA 2002

Statutory/Policy: Statutory

Included in the LTP: Indirectly
(via Finance Strategy)



Making this place home.

TREASURY MANAGEMENT POLICY

Date of adoption by Council/Committee	22 October <u>September</u> 2023 0
Resolution Number	20/RDC/391
Date by which review must be completed	September 202 6 <u>3</u>
Relevant Legislation	LGA 2002
Statutory or Operational Policy	Statutory
Included in the LTP	Indirectly (via Finance Strategy)

1 Introduction

Rangitikei District Council’s (“Council’s”) *Treasury Management Policy* consists primarily of two statutory policies:

1. Liability Management Policy and
2. Investment Policy

These statutory policies:

- form the key elements of, and provide, the framework under which Council operates its borrowing and investment activities; and
- are required under the Local Government Act 2002 (“LGA2002”) (Section 102 : Sections 104 and Section 105 outline the required content of these policies).

2 Overview

The key objectives of Council’s treasury activities are to protect the interests of, and ensure fairness between, Council’s current and future ratepayers.

In doing so, Council will apply procedures and controls to:

- ensure funds are always available to meet both planned and unplanned (but not extreme) levels of expenditure; and
- prudently manage the borrowing costs and investment returns that impact Council’s operational budgets; and
- ensure that all borrowings, investments and incidental financing arrangements comply with relevant legislation; and
- prudently manage the risk and volatility associated with Council’s treasury activities; and

- safeguard Council’s assets; and
- provide appropriate treasury reporting; and
- ensure the key principles of Council’s Treasury Management Policy are kept current via regular reviews and reporting.

Generally, Council will:

- avoid speculative type investments; and
- avoid investments in organisations whose activities are not consistent with Council’s social, environmental, ethical or cultural values; and
- maintain a ‘risk averse’ approach to its treasury activities.

3 Liability Management Policy

3.1 Introduction

The Liability Management Policy applies to the following liability arrangements (ie borrowing arrangements) with external parties:

- to fund Council’s capital works program, especially to provide funds for new (as opposed to replacement) assets. Council views the use of debt for these purposes as an appropriate and efficient mechanism for promoting intergenerational equity between current and future ratepayers;
- for specific one-off projects, including those caused by an emergency situation, or new levels of service that may arise from time to time

All other council liabilities (eg hire purchase, credit transactions, deferred payment and lease arrangements) are managed in the course of council’s day-to-day operations.

Council’s borrowing requirements will be clearly identified in its Long Term Plan and Annual Plans. Amounts not included in the Long Term Plan or Annual Plan can only be borrowed if approved by council resolution.

3.2 Requirements

S104 of LGA2002 states that the Liability Management Policy must state Council’s policies regarding its management of borrowings and other liabilities, including:

- interest rate exposure; and
- liquidity; and
- credit exposure; and
- debt repayment.

3.3 Borrowing Covenants

The first two of these four considerations (interest rate exposure and liquidity) are most effectively governed with the use of borrowing covenants. In determining what constitutes a prudent level of borrowings, Council will apply the Local Government Funding Agency covenants for ~~unrated- 'guaranteeing member' councils as at 30 June 2020. An unrated A 'guaranteeing member' council is one whose borrowings from LGFA are below above \$20m- and who is not a guaranteeing member of LGFA. These covenants are more conservative than the covenants that apply for rated councils.~~

Council's Long Term Plan and Annual Plans show the planned future levels of Council debt. Although future cost of servicing debt is subject to future market conditions, the Long Term Plan will incorporate a reasonable estimate of these costs. Debt levels for each year within the Long Term Plan and for each Annual Plan must comply with the covenants in this Policy.

3.4 Interest Rate Exposure

Covenant	Limit
Net interest/total revenue	< 20%
Net interest/annual rates income	< 25 30%
<p>Notes:</p> <p>Net interest is total annual interest cost and finance costs less interest earned</p> <p>Total revenue is cash income from rates, government grants and subsidies, user charges, interest, investment income but excludes vested assets and developer contributions</p> <p>The following examples have been provided to assist with 'giving this covenant some context'. These examples assume:</p> <p><u>Example</u></p> <p>Interest rate at 53%</p> <p>Interest earned \$200kzero</p> <p>Total annual revenue \$5530m</p> <p>Annual rates income \$3524m</p> <p><u>Debt \$70m</u></p> <p><u>Interest paid \$3.5m</u></p> <p><u>Interest earned \$0.2m</u></p> <p><u>Net interest \$3.3m</u></p> <p>Net interest/total revenue (maximum is 20%) : <u>(\$3.3m/\$55m) = 6%</u></p>	

Example 1 : Debt of \$3m: $\frac{[(3m \times 3\%) - 0]}{30m} = 0.3\%$ Example 2 :
Debt of \$40m: $\frac{[(40m \times 3\%) - 0]}{30m} = 4\%$

Net interest/annual rates income (maximum is ~~25~~30%) : $\frac{(\$3.3m/\$35m)}{1} = 9.4\%$

Example 1 : Debt of \$3m: $\frac{[(3m \times 3\%) - 0]}{24m} = 0.4\%$ Example 2 :
Debt of \$40m: $\frac{[(40m \times 3\%) - 0]}{24m} = 5\%$

Council’s finance department will primarily manage the impact of interest rate risk by accessing only fixed interest rate borrowings. Council approval will be obtained should non fixed interest rate borrowings be sought.

3.5 Liquidity

Covenant	Limit
Net debt/total revenue	<175% 280%
The example information in S3.4 (Total Revenue of \$ 3055 m and Debt of \$ 4070 m) and an assumed Bank Balance of \$10m would provide a Net Debt/Total Revenue ratio of 133 109%.	
External debt plus committed loan facilities plus liquid investments divided by external debt	>110%
The example information in S3.4 (Debt of \$70m) and an assumed Bank Balance of \$10m would provide a ratio of 114%.	
The following examples have been provided to assist with ‘giving this covenant some context’. These examples assume	
<ul style="list-style-type: none"> Committed Loan Facilities \$zero Cash at Bank \$2million Term Deposits \$4million 	
Example 1 : Debt of \$3m would give a Liquidity Ratio of $(3+0+2+4)/3 = 300\%$	
Example 2 : Debt of \$40m would give a Liquidity Ratio of $(40+0+2+4)/40 = 115\%$	

In addition, Council will aim to maintain a current bank balance of between \$1m and \$3m, using debt and an interest earning deposit account as required.

3.6 Credit Exposure

At the time of approving this Treasury Management Policy, Council had one parcel of debt but expected to increase this number during the next Long Term Plan.

Council will ensure that each of its first seven parcels of debt:

- matures in financial years different from other parcels of debt; and
- is likely to provide Council with sufficient finance so that no further debt will be required for at least 63 months; and
- is included in a report to Finance and Performance Committee; and
- considers the cost/benefit of being fixed or floating with regards to other existing parcels of debt and market conditions.

3.7 Debt Repayment

Council will repay borrowings when, or before, they fall due in accordance with the applicable borrowing arrangement by refinancing or from surplus general funds.

2

3.8 Management and Reporting

A summary of Council’s debt portfolio will be provided to each Finance and Performance Committee on a quarterly basis and Risk and Assurance Committee.

This quarterly reporting will include commentary regarding Council’s debt position compared to the position included in the Annual Plan and Ten Year Plan and compliance with its borrowing covenants.

3.9 Other Considerations

~~3.9.1 The New Zealand LGFA~~

~~Should Council borrow more than \$20m from LGFA and/or become a guaranteeing member of LGFA, borrowings from the LGFA may involve Council:~~

- ~~• contributing a portion of its borrowing back to LGFA as an equity contribution, for example as Borrower Notes; and~~
- ~~• providing guarantees of the indebtedness of other local authorities to LGFA and of the LGFA itself; and~~
- ~~• contributing additional equity or subordinated debt to LGFA if required; and~~
- ~~• securing its borrowings from LGFA and other obligations of the LGFA with a charge over RDC’s rates and rates revenue, and~~
- ~~• subscribing for shares and uncalled capital in LGFA.~~

~~3.9.23.9.1 Foreign Exchange Exposure~~

~~Council will ordinarily source its borrowings from bank debt, LGFA or from domestic capital markets (fixed rate bonds, medium term notes, floating rate notes and commercial paper). It is not envisaged that Council will have any foreign exchange exposure. Council approval will be sought should such exposure, of \$1,000 or more, be identified.~~

~~3.9.33.9.2 Other Guarantees~~

~~Apart from LGFA, Council may provide financial guarantees to local organisations, groups or bodies for recreational and community purposes.~~

~~The total value of these non-LGFA guarantees will be capped as per the following covenant:~~

Covenant	Limit
Non-LGFA Guarantees as % of total annual rates	3%

[3.9.43.9.3](#) Other Liabilities

Other RDC liabilities will be managed in the course of RDC's day-to-day operations.

4 Investment Policy

4.1 Introduction

Council will generally hold two types of investment:

- 1. commercial and
- 2. strategic

Commercial investments typically arise where council invests surplus funds with the primary objective of generating a commercial return whilst exposing council to an appropriate level of risk. Council, like most public authorities:

- recognises that holding commercial investments should reduce the reliance on rates, and
- has a focus on investments that have a relatively low risk, and
- recognises that lower returns are generally associated with the lower risk investments that will form part of its investment portfolio, and
- will generally not hold equity investments for purely commercial reasons.

Strategic investments typically arise where council invests funds in an opportunity where the primary objective is to generate a social, community or similar benefit or for legislative reasons. These investments are generally expected to return a lower financial return to council than commercial investments.

Council's investment plans will be clearly identified in its Long Term Plan and Annual Plans.

4.2 Requirements

S105 of LGA2002 states that the Investment Policy must state Council's policies regarding its investments, including:

- the mix of investments, and
- the acquisition of new investments, and
- an outline of the procedures by which investments are managed and reported to the local authority and
- an outline of how risks associated with investments are assessed and managed.

4.3 Mix of Investments

Council's investments will typically be in the form of:

- equity and other shareholding interests - these may include holding financial interests in LGFA, Council Controlled Organisations and other strategic investment opportunities; or

- property, including land, buildings and ground leases; or
- forestry investments; or
- financial investments.

Council will not invest in initiatives that are not consistent with its social, environmental, cultural or ethical values.

4.4 Acquisition of New Investments

New equity and forestry investments (and disposals thereof), not included in an Annual Plan or Long Term Plan, require prior council approval.

The placing of surplus cash and working capital in interest-bearing bank deposit accounts is regarded as business as usual activity and, for these purposes, is regarded as a banking activity and not an investing activity.

4.5 Management and Reporting (including Risk Management)

[Where Council holds material Investments, a](#) summary of Council's investment portfolio and its performance will be provided to Finance and Performance Committee on a quarterly basis.

This quarterly reporting will include commentary regarding investment returns compared to the amounts included in the Annual Plan and Ten Year Plan.

Where Council holds financial investments it may use mechanisms such as interest rate swaps, interest rate options and forward rate agreements to manage interest rate risk. In doing so, Council will seek external advice as required.

5 Other

5.1 Review

The Treasury Management Policy shall be reviewed by Council at least once every three years. The Local Government Act [2002 Amendment Act 2010 \(S102\)](#) states that Council does not need to go through the special consultative process to amend the Liability Management Policy and the Investment Policy.

5.2 Reporting - Summary

- Council's Long Term Plan and Annual Plans show the planned future levels of Council debt and investment [\(S3.3 and S4.1\)](#)
- Each new parcel of debt will be reported to Council's Finance and Performance Committee [\(S3.6\)](#)

ITEM 9.2
ATTACHMENT 1

- A summary of Council’s investment portfolio and debt position will be provided to Finance and Performance Committee ~~on a quarterly basis~~. This ~~quarterly~~ reporting will include commentary regarding investment returns and debt position compared to the amounts included in the Annual Plan and Ten Year Plan ~~(S3.8 and S4.5)~~
 - Council’s Treasury function will formally report any concerns relating to Council’s investment portfolio or debt position to ~~Audit and Risk~~ and Assurance Committee and to Council.
- 5.3 All delegations exercised under this Policy need to comply with the requirements of the Delegations Register and/or any sub-delegations that may be made by the CEO. All such sub-delegations made by the CEO must be clearly recorded.

10 Reports for Information

10.1 Treasury Reporting

Author: Dave Tombs, Group Manager - Corporate Services

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

- 1.1 To provide the Risk and Assurance Committee with a report on Council's performance in relation to compliance with its Treasury Management Policy as at 30 June 2023.

2. Context

- 2.1 Council's Liability Management Policy is contained within Council's Treasury Management Policy. The Liability Management Policy includes four borrowing covenants that Council's borrowing arrangements must comply with.
- 2.2 The figures included in this report have not yet been audited.

3. Analysis – Current Position

- 3.1 The four borrowing covenants are as follows:

1. Net Interest/Total Revenue must not exceed 20%
2. Net Interest/Annual Rates Revenue must not exceed 25%
3. Net Debt/Total Revenue must not exceed 175%
4. External Debt plus Committed Facilities plus Liquid Investments divided by External Debt must be greater than 110%

- 3.2 Net Interest/Total Revenue must **not exceed 20%**

• Interest Expense	\$813k
• Interest Income	\$390k
• Net Interest	\$423k
• Total Revenue	\$46m
Net Interest/Total Revenue	<1%

- 3.3 Net Interest/Annual Rates Revenue must **not exceed 25%**

• Net Interest (from S3.2)	\$423k
• Rates Revenue	\$26.8m
Net Interest/Annual Rates Revenue	1.6%

ITEM 10.1

3.4 Net Debt/Total Revenue must **not exceed 175%**

• Debt	\$31m
• Bank/Deposits	\$11.9m
• Net Debt	\$19.1m
• Total Revenue	\$46m
Net Debt/Total Revenue	42%

3.5 External Debt plus Committed Facilities plus Liquid Investments (Available Finance) divided by External Debt must be **greater than 110%**

• External Debt	\$31m
• Bank/Deposits	\$11.9m
• Available Finance	\$42.9m
Available Finance divided by External Debt	138%

Recommendation

That the report 'Treasury Reporting' be received.

10.2 Risk and Assurance Committee Work Programme**Author:** Dave Tombs, Group Manager - Corporate Services**Authoriser:** Dave Tombs, Group Manager - Corporate Services**1. Reason for Report**

- 1.1 To provide, for reference, the Committee with the current Risk and Assurance Committee Work Programme.
- 1.2 The current Work Programme was reviewed at a previous Committee meeting and is intended to be presented at each subsequent Committee meeting to provide members with an opportunity to review/amend the proposed Work Programme in light of potential recent/current factors.

2. Discussion

- 2.1 This Programme has been drafted on the assumption that the Risk and Assurance Committee will hold quarterly meetings in March, June, September and December each year (with additional meetings scheduled as required).
- 2.2 Current Risk and Assurance Committee Work Programme (June 2023 note: Council's Revenue and Finance Policy has been added to the *Policies* subsection as per below):

Item	Audit and Risk Committee Meeting
Governance	
Risk and Assurance Committee Terms of Reference	March 2021; at least once every 3 years
Latest Management Accounts - Overview	Each meeting
Latest Health and Safety reporting	Each meeting
Compliance with Treasury Management Policy	Each meeting
Fraud Reporting	Each meeting
Protected Disclosure Reporting	Each meeting
Outstanding AuditNZ management letter points	Each meeting
Insurance Update	Each meeting
Current Areas of Concern	Each meeting – see below.
Statutory	
Annual Report	Summary Update: September and December each year (as required)

ITEM 10.2

Internal Audit	
Outstanding internal audit recommendations	Each meeting (none currently exist)
Annual Internal Audit workplan	Discuss March, confirm June each year (this was discussed at November 2022 meeting)
Internal Audit Workplan Updates	Each meeting
Policies etc	Policies considered appropriate for ARC to review
Revenue and Finance Policy	March each year
Gifts and Hospitality Policy	Review every 2 years : reviewed September 2022 (see below)
Sensitive Expenditure Policy	Review every 2 years : reviewed September 2022 (see below)
Fraud, Bribery and Corruption Policy	Review every 2 years: reviewed June 2023 (see S2.3 below)
Protected Disclosure “Whistle Blower” Policy	Review every two years: next review September 2024
Staff Code of Conduct	Review every 2 years; next review September 2023.
Health, Safety and Wellbeing Policy	Review every 2 years; next September 2023.
Delegations Register	Last updated January 2018; review currently being finalised.
Policy on Development Contributions	Required by S102 LGA; S106 LGA requires Policy to be reviewed every 3 years. Current version adopted 9 June 2021.
Procurement Policy	Draft presented in December 2021; currently being finalised. Then review every 3 years.
Rates Postponement Policy	Required by S102 LGA; S110 LGA requires Policy to be reviewed every 6 years. Update required by June 2026.
Rate Remission Policy	Required by S102 LGA; S109 LGA requires Policy to be reviewed every 6 years. Update required by May 2027.
Rate Remission for Maori Freehold Land Policy	Required by S102 & S108 LGA; Update required by 2024.
Significance and Engagement Policy	Required by S76 LGA; Update required by 2024.
Treasury Management Policy	Adopted by Council October 2020; next review due by September 2023 (as per Policy)
Accounting Policies	Annually as part of annual financial statements preparation
Revenue and Finance Policy	March each year (part of Annual Plan)

Finance and Infrastructure Policy	Every three years (part of LTP)
Risk	
Risk Management Policy	Review every 3 years – next review 2025
Strategic Risk Register	Reviewed in full during 2022; currently subject to a 'rolling review'

Current Policy Reviews

- 2.3 Officers are currently updating Council's Sensitive Expenditure Policy. This Policy is an 'operational policy' and, accordingly, is able to be Approved by Council's Executive Leadership Team.

Current Areas of Concern

- 2.4 The proposed Three Waters reforms have created a significant level of uncertainty around many aspects of Council's operations. The impact of these reforms continues to be carefully monitored and assessed at all senior levels of Councils. The potential financial impacts of these reforms continue to be reported to Finance/Performance Committee and Risk/Assurance Committee.

Officers have included current known Areas of Concern within reports submitted to this meeting but welcome discussion regarding any other topics that the Committee would like included.

Recommendation

That the report 'Risk and Assurance Committee Work Programme' be received.

10.3 Protected Disclosures Update**Author:** Sharon Grant, Group Manager - People & Performance**Authoriser:** Kevin Ross, Chief Executive**1. Reason for Report**

- 1.1 This report provides the Risk and Assurance Committee with an update on protected disclosures for the reporting period, this update being that there are no protected disclosures to report.

2. Background

- 2.1 The Protected Disclosures Act 2022 (Act) came into force on 1 July 2022 and replaced the Protected Disclosures Act 2000. The purpose of the Act is to facilitate the disclosure and timely investigation of serious wrongdoing in or by an organisation and protect people who make a disclosure under the Act.
- 2.2 Under the Act a disclosure can be made by an employee. The definition of employee under the Act is wider than other legislation and includes employees, secondees, contractors, volunteers and boards / governing bodies.
- 2.3 Employees who make a disclosure under the Act are not liable to any civil or criminal proceedings, or to disciplinary proceedings by the employer, for reasons of that disclosure.
- 2.4 Rangitīkei District Council introduced a revised Protected Disclosures Policy and Procedure (Policy and Procedure) to reflect the new Act in July 2022. The revised Policy and Procedure was considered and endorsed by the Audit and Risk Committee at its September 2022 meeting.
- 2.5 Internal policies are available on the staff intranet (Kapua). Policies are communicated to staff at regular intervals including when a new policy is introduced, when changes are made to a policy, as part of the orientation process for new staff, and when it is timely to do so. Staff have received training on the Protected Disclosures Policy and Procedure.

3. Discussion

- 3.1 There are no protected disclosures to report for this period.

Recommendation 1

That the report 'Protected Disclosures Update' report be received.

10.4 Privacy Update

Author: Sharon Grant, Group Manager - People & Performance

Authoriser: Kevin Ross, Chief Executive

1. Reason for Report

- 1.1 This report provides the Risk and Assurance Committee with an update on privacy breaches for the reporting period. There are two known non-notifiable (minor) privacy breaches to report. There are no known notifiable (serious) privacy breaches to report.

2. Context

- 2.1 The Privacy Act 2020 (Act) governs how agencies (including local councils) may collect, store, use and share private information about individuals. The Act contains 13 principles that stipulate how information can be collected and used, and outlines people's rights to gain access to that information and ask for it to be corrected.
- 2.2 The Office of the Privacy Commissioner receives and considers privacy complaints. Agencies must notify the Privacy Commissioner if a notifiable privacy breach has occurred. A notifiable privacy breach is one which has caused, or is likely to cause, serious harm to the affected individual(s).
- 2.3 Rangitīkei District Council (RDC) has an internal Privacy Policy and Procedure (February 2023). The Privacy Policy and Procedure outlines how RDC will manage private information related to individuals who work for Council. It also outlines RDC's internal procedures for responding to actual or potential privacy breaches related to all information held about identifiable individuals, including employees and members of the public.
- 2.4 RDC also has an external Customer Privacy Statement which details how Council will protect the private information of members of the public. The external Customer Privacy Statement is published on RDC's website and can be accessed through the following link: [Privacy Statement](#).
- 2.5 In a RDC context, *personal information* includes any information collected or held by Council about identifiable individuals, such as information about our employees, rate payers and other members of the public who interact with Council.
- 2.6 RDC has a Privacy Officer, as is required under the Act. RDC's Privacy Officer is the Group Manager People and Performance.
- 2.7 The internal Privacy Policy and Procedure is available on the staff Intranet (Kapua). Policies are communicated to staff at regular intervals including when a new policy is introduced, when changes are made to a policy, as part of the orientation process for new staff and when it is timely to do so. Training on the Privacy Act and Privacy Policy and Procedure has been provided to Elected Members and RDC staff (workshops held on 3 August 2023).

3. Discussion

- 3.1 There are two known non-notifiable (minor) privacy breach to report. One of the non-notifiable privacy breaches occurred in the last reporting period however due to timing

ITEM 10.4

was not included in the June 2023 written report. A verbal update was provided to the Risk and Assurance Committee at the meeting of 22 June 2023 with an action taken to include it in the written report for the next meeting. The second non-notifiable privacy breach occurred during the current reporting period.

- 3.2 The non-notifiable privacy breaches involved the unintentional disclosure / distribution of personal information to one other person. Council's internal procedure to respond to a privacy breach was followed in full. Following investigation, it was confirmed that both breaches were fully contained. It was also considered that no serious harm occurred (or is likely to occur) as a result of the privacy breaches.
- 3.3 There are no known notifiable (serious) privacy breaches to report.

Recommendation

That the report 'Privacy Update' be received.

10.5 Fraud Reporting**Author:** Dave Tombs, Group Manager - Corporate Services**Authoriser:** Dave Tombs, Group Manager - Corporate Services**1. Reason for Report**

- 1.1 To provide the Risk and Assurance Committee (“the Committee”) with an update on Fraud incidents. Such incidents are listed on Council’s Fraud Register.

2. Commentary – Fraud Allegations

- 2.1 The Fraud Register summarises all outstanding fraud allegations against Council that have been made to the Fraud Officer. These allegations will remain on the Fraud Register until ‘closed’ by the Committee.
- 2.2 As for the previous Committee meeting, there have been no fraud allegations so the Fraud Register is ‘blank’ and hence no register is attached.
- 2.3 Officers have become aware of a matter that is currently being investigated and advise that there is a possibility that the matter could be subject to a formal report to a future Risk and Assurance Committee meeting.

3. Commentary – Fraud Awareness

- 3.1 Fraud Awareness communication was circulated to all staff in February 2022, June 2022, October 2022 and February 2023. Regular updates regarding this will continue to be sent out.

Recommendation

That the report ‘Fraud Reporting’ be received.

10.6 Internal Audit Programme**Author:** Dave Tombs, Group Manager - Corporate Services**Authoriser:** Dave Tombs, Group Manager - Corporate Services**1. Reason for Report**

1.1 To provide the Committee with an update on Council's Internal Audit Programme.

2. Context

2.1 In March 2021 Officers drafted a formal five-year Internal Audit Programme that includes the provision of an update to each Risk and Assurance Committee meeting.

2.2 Since its introduction, it has become apparent that competing work demands, covid disruptions and resource constraints have caused delays - and will continue to cause delays - in the intended timeframes for completing elements of this Program.

3. Discussion

3.1 As discussed at a prior Committee meeting, Officers will continue to monitor the Internal Audit Program, noting any reviews that are required/recommended by legislation and external agencies such as the Ombudsman Office.

4. Future Considerations

4.1 As requested at the June 2023 Risk and Assurance committee meeting, Officers will 'link in' Council's Strategic Risks to this Work Program.

4.2 Officers invite discussion around the following item that is scheduled for review in 2023/24:

4.2.1 Elected Member Effectiveness

Attachments

1. **RDC Internal Audit Program** [↓](#)

Recommendation

That the report 'Internal Audit Programme' be received.

Rangitikei District Council
Internal Audit Program (subject to ongoing review)

	21/22	22/23	23/24	24/25	25/26
Known/arising material risks	A/B ✓	A/B ✓	A/B	A/B	A/B
Health and Safety (Safeplus)	A ✓		A		A
Fleet management Services	A ✓			B	
Community Engagement (note 1)	A ✓			A	
Ethics (2)	<i>A partially done</i>			A	
Legislative Compliance (3)	<i>A not done</i>				A
Cyber Security/IT Recovery Plans	B/C ✓	A ✓	B	B	A
Business Continuity Plan (4)	B/C ✓		B		
Indirect tax evaluation	C ✓		C		B
Antifraud Assessment (5)		A *		C	C
Cash handling controls/processes		A/B *		B	
Statement of Service Performance (6)		A/B ✓	C	C	C
Consenting Applications (6)	B ✓	A/B ✓	B	A	B
Peer review/Councilmark	A ✓			A °	
Procurement and Contract Management				A	
Elected Member effectiveness (8)			A		
Insurance Management			A/B		
Risk Management Framework					A/B
Digital Transformation (9)			A/B		
Community Wellbeing (10)			A/B		
Accounts Payable				A	
Treasury Management				A	
Complaints Handling				A/B	
Capital Program (11)				A/B	
Onboarding/off boarding of staff (12)					A

* subject to resources/market availability

ITEM 10.6 ATTACHMENT 1

Key:

- A formal, externally review
- B structured internal review
- C overview

Notes

1. Includes working with Iwi/other partnerships; improvements to our ongoing communication with the community
2. Evaluation of our ethics related objectives/procedures/activities etc
3. Include compliance with payroll legislation (holiday pay etc)
4. In the event of major flood/quake
5. Fuel card, credit card, sensitive expenditure, false invoices, false time sheets/overtime
6. Improvements identified?? Barriers to success??
7. Other governance arrangements
8. Year 2 of election cycle
9. Existing and future 'ways of working'
10. Homelessness, health/leisure facilities, community support
11. Including Project Management, works order management, department set up
12. including new/old staff 'getting' on/off of payroll

10.7 Summary of Management Accounts

Author: Dave Tombs, Group Manager - Corporate Services

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

- 1.1 To provide the Risk and Assurance Committee ('the Committee') with a Summary of the key aspects of the detailed monthly Financial Snapshot.

2. Context

- 2.1 A detailed Financial Snapshot is presented, and reviewed, at each Finance/Performance Committee meeting.
- 2.2 The Committee has previously requested a summarised version to be presented at their Committee meetings.
- 2.3 The attached Activity Performance Report provide commentary on the Whole of Council key budget variances.
- 2.4 Officers note the following explanation that is provided at each Finance & Performance Committee: *'as previously advised, Depreciation exceeds budget due to the recent asset revaluations (this has resulted in proposed Depreciation budget increases for 2023/24)'*.
- 2.5 The attached figures are draft and subject to audit. Once finalised these figures will form the basis of Council's Annual Financial Statements.

Attachments

1. **June 2023 Draft Financial Summary** [↓](#)

Recommendation

That the report 'Summary of Management Accounts' be received.

Whole of Council

	YTD Actuals	YTD Budgets	YTD Variance	YTD Percentage Variance	Full Year Budget
	\$000	\$000	\$000		\$000
Total Revenue	(46,006)	(48,416)	(2,410)	-5%	(48,416)
Subsidies and Grants	(14,224)	(17,060)	(2,835)	-17%	(17,060)
Other Revenue	(4,105)	(3,935)	170	4%	(3,935)
Finance Revenue	(401)	(41)	360	887%	(41)
Gains	(498)	(840)	(342)	-41%	(840)
Rates	(26,778)	(26,541)	238	1%	(26,541)
Total Expense	50,660	44,699	(5,961)	-13%	44,699
Other Expenses	26,344	21,895	(4,448)	-20%	21,895
Personnel Costs	7,461	7,218	(243)	-3%	7,218
Finance Costs	813	752	(62)	-8%	752
Depreciation	15,926	14,834	(1,092)	-7%	14,834
Losses	116	0	(116)	-100%	0
Grand Total	4,654	(3,717)	(8,371)		(3,717)

Key Variances : Commentary (other smaller, largely offsetting, variances exist)**Subsidies and Grants**

- \$4m budgeted grant income associated with Marton Rail Hub not received due to delays with the project
- \$0.4m budgeted grant income associated with Better Off Funding not received due to the projects being deferred to 2023/24
- \$0.4m unbudgeted grant income received in relation to the Mayors Taskforce for Jobs (Budget \$0.2m: Receipts \$0.6m)
- \$0.4m unbudgeted grant income received in relation to the Lotteries Grant
- \$0.3m unbudgeted grant income received in relation to the Three Waters Transition initiative

Other Revenue

- Actual bank balances, and related interest rates, higher than budget
- Gains on disposal on Property assets less than budget, due largely to large property Revaluations as at 1 July 2022
- Rates remissions lower than budget

Other Expenses

- Unbudgeted Emergency Works of \$4.5m recorded within Other Expenses

Personnel Costs

- Variance primarily caused activity associated with the Mayors Taskforce for Jobs (refer Grant Income above)

Depreciation

- Variance caused by significant impact of asset revaluations (above figure is draft and expected to increase as impact of Buildings Revaluations is finalised)

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**Capital Expenditure +\$500k projects
For the period ending June 2023**

	YTD Actuals	YTD Budgets	Full Year Budget	Comments
Whole of Council	22,552,004	33,780,128	33,780,128	

Business Units	YTD Actuals	YTD Budgets	Full Year Budget	Comments
95500701. Motor Vehicle Purchases	593,216	500,000	500,000	All vehicles, as part of the 22/23 order, have been delivered.

Community	YTD Actuals	YTD Budgets	Full Year Budget	Comments
4090174505. Marton Building Design & Construction	186,617	403,152	403,152	Detailed report provided separately to Council as part of PMO Reporting
4410170611. Taihape Amenities Detailed Design Construction bf from 20/21	2,974,083	535,995	535,995	Detailed report provided separately to Council as part of PMO Reporting
4410174501. Taihape Amenities Detailed Design & Construction	0	2,900,000	2,900,000	Detailed report provided separately to Council as part of PMO Reporting

Roading and Footpaths	YTD Actuals	YTD Budgets	Full Year Budget	Comments
70100745. Marton Rail Hub	885,139	2,795,000	2,795,000	Detailed report provided separately to Council as part of PMO Reporting
70100781. Sealed Road Pavement Rehabilitation (214)	1,639,829	1,484,105	1,484,105	These work programs often result in these budgets having minor offsetting variances
70100782. Drainage Renewals (213)	810,893	749,700	749,700	
70100783. Structures Components Replacements (215)	434,269	597,813	597,813	
7010078421. Road to Zero (341)	451,041	603,345	603,345	
70100787. Sealed Road Surfacing (212)	1,761,461	1,512,824	1,512,824	
70100795. Improvements- Low Cost Low Risk (341)	1,767,155	3,449,092	3,449,092	Progress slow due weather conditions. Budget and programmed reviewed with MDC for Waka Kotahi budget purpose

Water, Sewerage & Stormwater	YTD Actuals	YTD Budgets	Full Year Budget	Comments
	6,990,711	11,158,449	11,158,449	
6060174501. 117.1: New Plant	2,835	500,004	500,004	Detailed report provided separately to Council as part of PMO Reporting
6060174503. Marton Water Strategy	1,058,386	2,000,000	2,000,000	Detailed report provided separately to Council as part of PMO Reporting
6070176204. Wastewater Reticulation	121,776	698,172	698,172	Detailed report provided separately to Council as part of PMO Reporting
6070176206. Marton to Bulls Centralisation Project	1,063,314	1,000,000	1,000,000	Detailed report provided separately to Council as part of PMO Reporting
6070176207. Land Purchase - Marton to Bulls Centralisation Project	0	1,200,000	1,200,000	Part of Marton to Bulls Centralisation Project
6070177109. Taihape / Papakai Wastewater Pump Station	2,086,904	1,068,740	1,068,740	Detailed report provided separately to Council as part of PMO Reporting
6070177111. Ratana Complete Upgrade	190,562	1,750,692	1,750,692	Detailed report provided separately to Council as part of PMO Reporting

**10.8 Audit NZ Management Letter Points****Author:** Dave Tombs, Group Manager - Corporate Services**Authoriser:** Dave Tombs, Group Manager - Corporate Services**1 Reason for Report**

- 1.1 To provide Risk and Assurance Committee with a summary of Council's current Audit New Zealand Management Letter points.

2 Context

- 2.1 Audit New Zealand typically provide Council with a Management Letter after each audit (interim and final) that contains various suggested improvements to Council's controls/systems/processes. Officers will track and update these to report on progress of these items.
- 2.2 The intent of including the Management Letter Register on this agenda is to 'establish the practice' of including this as a standing agenda item rather than undertake a detailed review of these items.
- 2.3 Once reported to Risk and Assurance Committee and confirmed by Audit NZ as being 'resolved', the item will be removed from this register.

3 Recommendation

- 3.1 That the report 'Audit New Zealand Management Letter Points' be received.

Attachments:

1. **Audit NZ Management Letter Register Sept 2023** [↓](#)

That the report Audit NZ Management Letter Points be received.

Updated as at Sept 2023							
Issue raised in:	Recommendation	Managed	Audit NZ Priority	June 2023 Update	September Update 2023	Expected due date	Officer's assessment
18/19	Assets with no construction date Implement a process to improve the asset data on road assets with no construction date. Audit 2021 Update: In progress. The District Council continues to look at processes that will improve the integrity of asset data. Analysis and implementation of possible measures will require a multiple-year timeframe	GM Assets & IS	Beneficial	This is in progress	On going	TBA	Beneficial
18/19	Condition and performance data for Infrastructure Assets Continue to implement a program to collect condition and performance data.	GM Assets & IS	Necessary	Constantly being progressed.	On going		
20/21	Fraud risk Assessment Council undertakes a formal fraud assessment to assess: a) transactions, activities, or locations that may be susceptible to fraud; and controls/processes the Council has in place to mitigate those risks	Financial Services	Beneficial	Internal audit procedures planned for April 2023 to cover cash handling and fraud assessment at three locations has been deferred due to lack of resources.. Formal fraud awareness communication planned for June 2023 and October 2023.	Ongoing formal fraud awareness program (February, June and October) established. Fraud assessment to be conducted once other current priorities have been addressed.	2024	Beneficial
18/19	Changes to financial delegations The District Council review all financial delegations set up within the system to ensure these are correct. Going forward each quarter there is an independent review of any changes made to the financial delegations with the District Council's FMIS.	Financial Services	Necessary	The review has been rescheduled due to Annual Report commitments. Subsequently, the GM Corporate Services will be provided with a system-generated report showing all changes made each quarter.	In progress	23/24	
Prior to 18J	No Regular Testing of Business Continuity and IT Disaster Recovery Plans We continue to recommend that Business Continuity and IT Disaster Recovery plans be finalised. As part of the project to implement new IT infrastructure we recommend that testing of failover to the new secondary datacentre be performed and the IT DR plan be finalised.	Mgr Info Services	Necessary	Third party service provider are providing disaster recovery and backup services to RDC. DR tests are performed on selected servers on a monthly basis with full DR failover scheduled annually. Monthly reports on DR and backup services are produced, reviewed and stored in our EDRMS. RDC is currently working on building a priority server list in conjunction with the business to ensure that the DR site has the ability to support business continuity should we failover to alternate hardware.	As part of our DR and BCP planning we have been implementing a reconfiguration of the Disaster Recovery Platform, which is hosted in Palmerston North, to streamline and simplify that process when initiating a fail-over & fail-back during a DR event. This process is almost complete with the final server duplication being completed on the 12/09/2023. The DR SAN storage is permanently addressable storage, but is connected via secured separate storage VLAN's & not accessible by users. Both the onsite and DR storage SAN's are protected by storage based Snapshot's that run every hour and daily (2 days for on premise & 7 days for DR). The DR SAN snapshot's cannot be altered/deleted by RDC users. There is a six monthly test of these systems to confirm the viability of these back up systems. A final check of the failover firewall remains to be completed and full DR test is scheduled for October 23.	Dec-23	Necessary
Prior to 18J	Review of Procurement Practice As part of our 2016 audit we completed a review of the joint procurement process undertaken by Manawatu District Council, Horowhenua District Council, and the Council. Our summarised recommendations are detailed below: Conflict of interest declarations to be signed off by the appropriate authority at the time that they are signed off by the person completing the declaration - Declarations to be regularly updated, both actively and at key stages of the procurement process. - Declarations to be completed by those with the ability to influence the decision of the evaluation team, regardless of whether or not these individuals have decision making power. - A business case be prepared for all procurements of significant value and risk - A procurement strategy or plan should specify the roles and responsibilities of those involved in the process. This includes those sitting on the evaluation team and any advisors to the process. - Consider risks during the procurement planning stage. These risks relate to the procurement process rather than the	GM Corporate Services / Chief Operating Officer	Necessary	The Procurement Policy/Guidelines have been developed and pending final review. Financial year end is causing delays to this final stage.	Proposed new Policy being reviewed by PMO	2023/24	Necessary
Prior to 18J	Reviews of Magiq users access levels We continue to recommend that regular reviews of users of the District Council's Magiq system be completed to ensure access remains appropriate.	Mgr Info Services	Necessary	Magiq users are audited as we complete our regular user audit of Active Directory. At this time, we only review access levels at such times as we receive role change forms from People and Performance. Under review	Report in design to enable 6-monthly audit currently underway.	2024	

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Updated as at Sept 2023							
Issue raised in:	Recommendation	Managed	Audit NZ Priority	June 2023 Update	September Update 2023	Expected due date	Officer's assessment
Prior to 17J	Contract management Endorse an integrated policy for organisation-wide use and review the Councils current contract management system for appropriateness. Monitor service contracts between contractors and the Council against the Key Performance Indicator's (KPI's); to confirm the work performed is completed to a satisfactory standard.	PMO	Necessary	Work is continuing	Work is continuing, the consultant has shared a first draft and we are expecting conclusion by the end of Dec 2023	Dec-23	Necessary
22/23	Dry weather sewerage overflows Implement a system to accurately record dry weather sewerage overflows in line with the requirements of the DIA's mandatory performance measure on sewerage overflows.	COO	Necessary	RDC agree with the view that the capture of the wet weather sewerage overflows can be improved. At the moment the only way to check if the sewerage overflow occurred during a wet weather period is to check each overflow against recorded rainfall in the general area of the overflow. This is a time-consuming process. Officers have listed the details under our management letter tracker document for monthly discussion and planning to implement these recommendations and report progress at ELT meetings and to the Risk and Assurance Committee. These recommendations include those made by:	On going	Jan-24	
22/23	Recommendations made by valuers and peer reviewer Implement the recommendations made by the infrastructure asset valuers and peer reviewer.	COO	Beneficial	Officers will incorporate these suggestions in the Sensitive Expenditure Policy as considered appropriate. Note the final bullet point in the Auditors list above pertains to the receipt of cash gifts – this matter is addressed in Council's Gifts and Hospitality Policy (S4.1).	On going	Jun-24	
22/23	Sensitive expenditure policies do not align with good practice Sensitive expenditure policies are updated to align with the Office of the Auditor-General's good practice guide on controlling sensitive expenditure.	Manager Corp Serv	Beneficial	Policy has been amended to include suggested changes – expected to be subject to ELT approval Sept/Oct		Oct-23	Minor benefit
19/20 Also reported on 21/22 Interim	Identification of earthquake prone buildings Update the earthquake prone listing spreadsheet and take into account allowances for any works required to the earthquake prone buildings as part of the next valuation. May impact impairment of assets due to correction or preventative maintenance costs.	GM Assets & IS	Necessary	NA	Feb 2023 comment: The spreadsheet has been updated. (The seismic assessments have been completed but the upgrades to the buildings to get them up to code has not yet been completed: the seismic assessments and the wider RDC owned buildings condition assessment that will be completed early in the new financial year will identify a prioritised list of upgrades to our buildings that will be included in the new LTP.) For these purposes this item can be closed.	Feb-23	Ready to Close
Prior to 17J	Monitoring of Contractor Performance Implement a quality assurance (QA) programme over services contracted out to third parties. This is especially important when the performance of these contractors feed into Council's KPIs, for example responding to roading call outs.	GM Corp Services	Necessary	The monitoring of Contractor Performance has become BAU for Council. The performance under the Roading Contract is subject to regular reporting to either Council or its Committees. As this has become BAU for Council and Officers now consider that this item can be closed.		NA	Ready to close
Prior to 18J	Capital Work in progress Review the capital WIP balance to: · clearly identify projects included in the balance; and · perform an impairment assessment over the outstanding WIP balance at year-end; and ensure projects are capitalised on a timely basis once they are ready for use; and · perform a monthly reconciliation.	Manager Financial Services	Necessary	Much of this Recommendation is 'standard year practice'. Officers consider it impractical to conduct monthly reconciliations. Accordingly Officers now consider that this item can be closed.		NA	Ready to close
Prior to 18J	Carry forward of capital expenditure Continue to reduce the amount of capital expenditure carried forward to the next financial year.	GM Assets & IS	Necessary	The annual capital program is now subject to significant consideration before being finalised. One of the matters considered is 'ability to deliver'. This has become BAU for Council and Officers now consider that this item can be closed.		NA	Ready to close

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Updated as at Sept 2023							
Issue raised in:	Recommendation	Managed	Audit NZ Priority	June 2023 Update	September Update 2023	Expected due date	Officer's assessment
2018/19	Bribery and Corruption policy The District Council consider the following: · Develop an overarching bribery and corruption policy that links to related policies and procedures. · Update the related policies/procedure to ensure their scope clearly includes bribery and corruption.	GM Corp Services	Beneficial	Council's Fraud, Bribery and Corruption Policy was approved in April 2023.		NA	Ready to close
Prior to 17J	Performance measure rules Continue to review the effectiveness of the collection and reporting of data.	GM Democracy & Planning	Necessary	This has now become BAU and can be Closed		NA	Ready to close
21/22 Interim	Improving creditor Masterfile review process The District Council phone to confirm new creditors or changes to a creditor's bank account number to ensure they are valid	Financial Services	Necessary	This has become BAU for Council and Officers now consider that this item can be closed.		NA	Ready to close
22/23	Breach of Local Government Members (2021/22) Determination 2021 Changes to elected representatives' remuneration are independently reviewed for compliance with the relevant Determination to ensure remuneration in line with the Determination.	Mgr People & Performance	Necessary	A process to ensure greater scrutiny has been implemented with payroll maintenance checking to ensure that transposed figures are picked up. This process involves the person processing Payroll sitting alongside the Group Manager People and Performance (or other approved person signing off payroll) and reading the approved figure out loud, while the other checks against what is entered. This has become BAU for Council and Officers now consider that this item can be closed.		NA	Ready to close
22/23	Payroll system calculating termination pay incorrectly Manually recalculate employee's termination pay to verify the accuracy of the payroll system. If the payroll system calculates a termination pay incorrectly then the District Council should override the system to ensure it pays the correct amount.	Mgr People & Performance	Necessary	The issue has been resolved. Officers calculated the final difference as negligible and corrected the processes to calculate this on the system correctly going forward.		NA	Ready to close
22/23	General Rate on Defence land The rates resolution states that the general rate is set on a capital value basis for all land, but that defence land is assessed as if that rate was based only on its land value.	Manager Corp Serv	Necessary	Rates Resolution has been amended accordingly.		NA	Ready to close
22/23	Breach of Local Government Act 2002 section 98(7)(b) Make improvements to processes for preparing the annual report to ensure that it is complete and of reasonable quality at the beginning of our audit.	Manager Corp Serv	Necessary	Council accepts that the draft Annual Report was incomplete at the beginning of the audit. Management considers that the reference by Audit New Zealand to 'poor quality' was due, to a large extent, to the fact that the initial draft was incomplete. The completion of the Annual Report was subsequently based around timeframes that were agreed with Audit New Zealand, based upon commitments and resources of both parties. Council currently foresees a significantly lower level of external factors (e.g. delays in obtaining revaluation information, delays in receiving water quality audit information, COVID related issues and issues relating to confirming SSP information) that will prevent it from achieving its June 2023 related deadlines.		Sep-23	Ready to Close
17/18	Service Performance Information Implement a regular review of information entered to ensure that the correct data is being captured for attendance times. Continue to reinforce training on requirements to ensure staff are aware of the correct processes to follow and understand the information being captured.	GM Democracy & Planning	Necessary	A cross-team project will be commenced to ensure the data is able to retrieved when its required and is correct. GM Democracy & Planning will lead this.		Jun-23	Ready to Close

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11 Discussion Items

11.1 Insurance Update

Author: Dave Tombs, Group Manager - Corporate Services

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

- 1.1 To provide the Risk and Assurance Committee with an update on current Insurance related matters.

2. Commentary – Insurance Claims

- 2.1 Council has had no Insurance Claims this financial year.

3. Future insurance considerations

- 3.1 Council recently undertook an Insurance Strategy Workshop. This identified that, amongst other things, the potential cost savings that are achievable from accepting higher levels of self-insurance, and the associated higher risks, did not warrant any changes to Council's current insurance cover.
- 3.2 Council has been invited to consider an increased Excess Layer of its Infrastructure insurance cover (due mainly to the increasing levels of declared values within its Insurance Group) and is waiting to receive additional information regarding this.
- 3.3 Officers are expecting future increases in Insurance premiums to be a lot higher than CPI and will include future budget increases accordingly.

Recommendation

That the report 'Insurance Update' be received.

12 Public Excluded

Resolution to Exclude the Public

The meeting went into public excluded session [enter time](#)

Recommendation

That the public be excluded from the following parts of the proceedings of this meeting.

- 1 Risk and Assurance Committee Meeting - 22 June 2023
2. Cyber Security

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
12.1 - Risk and Assurance Committee Meeting - 22 June 2023	To consider the minutes relating to matters that were the subject of discussion at the 22 June meeting.	S48(1)(a)
12.2 - Cyber Security	s7(2)(j) - Improper Gain or Improper Advantage	s48(1)(a)(i)

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

13 Open Meeting