

# Risk and Assurance Committee

## Open Minutes

- Commencing:** Wednesday 8 March 2023, 9.30 am
- Venue:** Council Chambers, Regional House, 1 Elizabeth Street, Tauranga
- Chairperson:** Cr Stuart Crosby
- Deputy Chairperson:** Member (Independent) Bruce Robertson
- Members:** Cr Ron Scott  
Cr Andrew von Dadelszen  
Cr Te Taru White  
Cr Kevin Winters
- In Attendance:** Councillors: Cr Kat Macmillan, Cr Matemoana McDonald (via Zoom), Cr Jane Nees (via Zoom)  
Staff: Mat Taylor – General Manager Corporate; Chris Ingle – General Manager Integrated Catchments; Kumaren Perumal – Chief Financial Officer; Gillian Payne – Principal Advisor; Steven Slack – Risk & Assurance Manager; Aaron Huggins – Principal Internal Auditor; Mark Le Comte – Principal Advisor, Finance (via Zoom), Annabel Chappell – Manager, Special Projects (via Zoom); Jenny Teeuwen – Committee Advisor  
External: Leon Pieterse - Audit Director, Anton Labuschagne - Audit Manager, and Aimee Smith – Senior Auditor, Audit New Zealand
- Apologies:** Cr Kevin Winters for late arrival.

Committee members and the public were reminded that the public section of the meeting was being livestreamed and recorded and that the recording would be available on the Bay of Plenty Regional Council YouTube channel following the meeting.

Recording link: [Risk and Assurance Committee - 8 March 2023 - YouTube](#)

### 1. Apologies

#### Resolved

#### That the Risk and Assurance Committee:

- 1 Accepts the apology from Cr Kevin Winters for lateness tendered at the meeting.

Robertson/von Dadelszen  
CARRIED

## 2. Items not on the Agenda

The passing of Mr Max Lewis prior to Christmas was acknowledged. Mr Lewis was a long-term submitter to the Bay of Plenty Regional Council (Council) and a true contributor to the community.

## 3. Declaration of Conflicts of Interest

There were none declared.

## 4. Reports

### Information Only

### 4.1 Chairperson's Report

Presented by: Mat Taylor – General Manager, Corporate

#### Key Points

- Highlighted the Risk and Assurance work programme for 2023 as well as the completed work programme for 2022.

#### In Response to Questions

- The delay of the Audit Arrangements Letter for the Audit to 30 June 2022 that was showing on the 2023 work programme as coming to this meeting, was due to lack of resources. Audit New Zealand's aim was to have all councils' 2022/23 audits across the country completed by 31 October 2023. It was expected that this item would be available to present to the 14 June 2023 meeting of this Committee.

### Resolved

**That the Risk and Assurance Committee:**

- 1 Receives the report, Chairperson's Report.**

**White/von Dadelszen  
CARRIED**

### 4.2 Audit New Zealand Report on the audit of the Bay of Plenty Regional Council for the year ended 30 June 2022

Presented by: Mat Taylor – General Manager, Corporate  
Kumaren Perumal – Chief Financial Officer  
Leon Pieterse - Audit Director, Audit New Zealand  
Anton Labuschagne - Audit Manager, Audit New Zealand

#### Key Points

- The audit report set out the findings and recommendations arising from the final audit performed over the period October to December 2022.

- There were eight open recommendations; none were prioritised as urgent, seven were categorised as necessary, and one was categorised as beneficial.
- Overall the audit had gone well and Council had been well prepared.

9.43am – Cr Kevin Winters **entered** the meeting.

#### **In Response to Questions**

- Audit New Zealand was comfortable with the information flow from external groups and how these integrated into Council and was satisfied that Council was doing all that could be done to ensure deadlines were met.
- The recommendation for the National Policy Statement for Freshwater Management (NPS-FM) programme had been noted and would be factored into the work programme.
- Council's Procurement Policy included different elements. The general policy was last updated in 2016. Updates to individual elements within the policy could be more recent as these happened as advice and/or guidance was received and best practices were developed.
- Audit New Zealand would consider Council's response to their recommendations around the ICT Policy.
- The transition of the Rating Information Database (RID) to an internal process was showing as still in progress as it had not yet been tested by Audit New Zealand. Testing was on the work programme for this year's audit.
- Providing valuation, confirmation and assurance for investments that were not in the open market was difficult, but this did not necessarily make them risky investments.
- The review cycle for some of the Finance policies had already been identified and included in the Finance Team's work programme. This included the Sensitive Expenditure Policy.

### **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Audit New Zealand Report on the audit of the Bay of Plenty Regional Council for the year ended 30 June 2022.**

**Robertson/White  
CARRIED**

### **4.3 Efficiency and Effectiveness Gains and Progress on Benchmarking**

Presented by: Kumaren Perumal – Chief Financial Officer  
Gillian Payne – Principal Advisor

#### **Key Points**

- Highlighted some of the efficiency and effectiveness initiatives that had been planned and implemented by the organisation.
- Provided an update on the regional and unitary councils' benchmarking group that had been initiated by Council, and the approach of the initiative.

**In Response to Questions**

- Benchmarking outside of the sector was intended as part of the future scope of the benchmarking initiative.
- Savings made from the rating project led directly to savings for ratepayers.
- Project Insight would provide Councillors with an interactive tool that enabled monitoring of financial performance at desired levels of detail that could then be linked to non-financial performance information.
- The benchmarking framework would set a series of measures as a starting point for various activities across the councils. Continual best practice would be achieved by the regular reporting and monitoring of those measures by the councils.

Councillors commended staff on the progress made in both benchmarking and making efficiency saving so far, and asked that this work continues.

**Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Efficiency and Effectiveness Gains and Progress on Benchmarking.**

**Winters/von Dadelszen  
CARRIED**

**4.4 Internal Audit Status Update**

Presented by: Aaron Huggins – Principal Internal Auditor  
Steven Slack – Risk & Assurance Manager

**In Response to Questions**

- The due date for orange and red improvements would be included as part of the Internal Audit Status Update going forward.
- Work to incorporate the outstanding recommendations for Business Continuity Planning (BCP) was underway. A greater focus and emphasis would be placed on IT as a result of lessons learned from Covid and cyclone Gabrielle.

**Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Internal Audit Status Update.**

**Scott/White  
CARRIED**

**2. Public Excluded Section****Resolved**

**Resolution to exclude the public**

**1 Excludes the public from the following parts of the proceedings of this meeting as set out below:**

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

<b>Item No.</b>	<b>Subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Grounds under Section 48(1) for the passing of this resolution</b>	<b>When the item can be released into the public</b>
2.1	Completed Internal Audit Reviews	Withholding the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.	48(1)(a)(i) Section 7 (2)(c)(i).	On the Chief Executive's approval.
2.2	Key Risk Register	Withholding the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage.	48(1)(a)(i) Section 7 (2)(j).	On the Chief Executive's approval.

**Winters/Scott  
CARRIED**

**11.30am - the meeting closed.**

**CONFIRMED**

---

Cr Stuart Crosby  
Chairperson, Risk and Assurance Committee