

# Risk and Assurance Committee

## Open Minutes

- Commencing:** Thursday 5 October 2023, 9.30am
- Venue:** Council Chambers, Regional House, 1 Elizabeth Street, Tauranga
- Chairperson:** Cr Stuart Crosby
- Deputy Chairperson:** Bruce Robertson (Independent Member)
- Members:** Cr Ron Scott  
Cr Andrew von Dadelszen  
Cr Te Taru White (via Zoom)  
Cr Kevin Winters  
Chairman Doug Leader (Ex Officio)
- In Attendance:** Councillors: Cr Kat Macmillan  
Staff: Fiona McTavish – Chief Executive; Mat Taylor – General Manager Corporate; Chris Ingle – General Manager, Integrated Catchments; Reuben Fraser – General Manager, Regulatory Services (via Zoom); Kumaren Perumal – Chief Financial Officer; Nolene Naude – Financial Accounting Team Lead; Steven Slack – Risk & Assurance Manager; Aaron Huggins – Principal Internal Auditor; Monique Brooks – (Acting) Legal and Commercial Manager; Jenny Teeuwen – Committee Advisor  
External: Leon Pieterse and Warren Goslett - Audit New Zealand; Jessica Easton – in capacity as former Bay of Plenty Regional Council Toi Moana (Regional Council) Legal and Commercial Manager.

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 - 5 October 2023 - YouTube](#)

### 1. Declaration of Conflicts of Interest

- Bruce Robertson (Independent Member) declared an interest in Item 8.3 – Progress update on the Draft Annual Report for the year ended 30 June 2023, as an Independent Director of Regional Software Holdings Limited (RSHL), and Public Excluded Item 9.5 – Key Risk Register, as Chair of the Ministry for Primary Industries (MPI) Risk and Assurance Committee.
- Cr Stuart Crosby and Cr Te Taru White also declared a conflict of interest in Item 8.3 – Progress update on the Draft Annual Report for the year ended 30 June 2023, as Directors of Quayside Holdings Limited (Quayside).

## 2. Minutes

### Minutes to be Confirmed

#### 2.1 Risk and Assurance Committee Minutes - 14 June 2023

##### Resolved

That the Risk and Assurance Committee:

- 1 Confirms the Risk and Assurance Committee Minutes - 14 June 2023 as a true and correct record.

Crosby/Robertson  
CARRIED

## 3. Reports

### 3.1 Chairperson's Report

Presented by: Mat Taylor – General Manager, Corporate

#### Key Points

- Highlighted the updated Risk and Assurance Committee work programme for the year ahead and the updated completed programme.

##### Resolved

That the Risk and Assurance Committee:

- 1 Receives the report, Chairperson's Report.

von Dadelszen/Winters  
CARRIED

### 3.2 Audit New Zealand Report on the interim audit of the Bay of Plenty Regional Council for the year ended 30 June 2023

Presented by: Kumaren Perumal – Chief Financial Officer  
Nolene Naude – Financial Accounting Team Lead  
Leon Pieterse – Audit New Zealand  
Warren Goslett – Audit New Zealand

#### Key Points

- Provided overview of the findings arising from the interim audit performed over the period June to July 2023.

#### In response to Questions

- In reference to management being updated about the review of the procurement manual, the term “management” included governance.
- Audit NZ was comfortable with the outcomes from the interim audit.

## Resolved

### That the Risk and Assurance Committee:

**Receives the report, Audit New Zealand Report on the interim audit of the Bay of Plenty Regional Council for the year ended 30 June 2023.**

**Robertson/von Dadelszen  
CARRIED**

### 3.3 Progress update on the Draft Annual Report for the year ended 30 June 2023

Presented by: Kumaren Perumal – Chief Financial Officer  
Nolene Naude – Financial Accounting Team Lead  
Leon Pieterse – Audit New Zealand  
Warren Goslett – Audit New Zealand

Bruce Robertson (Independent Member) declared an interest in this item, as an Independent Director of Regional Software Holdings Limited (RSHL).

Cr Stuart Crosby and Cr Te Taru White declared a conflict of interest during this item as Directors of Quayside Holdings Limited (Quayside), as questions regarding Quayside were raised.

#### Key Points

- The audit process for the draft Annual Report was around 70% completed.

#### In response to Questions

- The valuation of the Council Controlled Organisations (CCOs) had been completed and was currently with Audit NZ for review.
- Audit NZ were comfortable that all was on track for Regional Council's adoption of the Annual Report 2022/23 at their meeting on 26 October 2023.
- The calculation of net debt at \$10.2 million excluded the perpetual preference shares (PPS) but included Toi Moana Trust, as those shares were considered quite liquid. The explanation provided in the Annual Report would be adjusted/amended to explain the net debt position more clearly.
- The purchase price of \$23 million for the acquisition of 44.43% of PF Olsen Group Holdings Limited (PF Olsen) by Quayside was extracted directly from the signed Quayside Annual Report. Quayside's director appointment to PF Olsen would be reported to Regional Council.
- As the remuneration for Port of Tauranga directors was included in Quayside's Annual Report, this information was also disclosed in the Regional Council's Annual Report.

## Resolved

### That the Risk and Assurance Committee:

- 1 **Receives the report, Progress update on the Draft Annual Report for the year ended 30 June 2023.**

**Crosby/Scott  
CARRIED**

### 3.4 Expenditure and Koha report for the year ended 30 June 2023

Presented by: Kumaren Perumal – Chief Financial Officer  
Nolene Naude – Financial Accounting Team Lead

#### Key Points

- Clarified the rationale behind Attachments 3 and 5 to this report being public excluded.

#### **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Expenditure and Koha report for the year ended 30 June 2023.**
- 2 Confirms the public be excluded on the grounds set out in the Local Government Official Information and Meetings Act 1987 from consideration of the following report attachments:**
  - (a) Koha for the twelve months ended 30 June 2023 - UNREDACTED under Section 48(1)(a)(i) Section 7 (2)(a) as withholding the information is necessary to protect the privacy of natural persons, including that of deceased natural persons and that this attachment remain in Public Excluded.**
  - (b) Supplier Payments Reports for Year Ended 30 June 2023 - UNREDACTED under Section 48(1)(a)(i) Section 7 (2)(a) as withholding the information is necessary to protect the privacy of natural persons, including that of deceased natural persons and that this attachment remain in Public Excluded.**

**Crosby/Robertson  
CARRIED**

### 3.5 Chairman's Discretionary Fund 2022/23

Presented by: Mat Taylor – General Manager, Corporate

#### Key Points

- A video had been received from Tauranga Intermediate students about their experience at the Future Problem Solving International Conference in the United States. The school had received \$5,000 from the Chairman's Discretionary Fund towards travel and registration. A link to the video would be provided to Councillors.

#### **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Chairman's Discretionary Fund 2022/23.**

**Winters/Scott  
CARRIED**

### **3.6 Local Government Official Information & Meetings Act 1987 – Annual Report 2022/23**

Presented by: Monique Brooks – (Acting) Legal and Commercial Manager

#### **In response to Questions**

- The Ombudsman's report from the inquiry into concerns regarding councils' use of public excluded workshops had not yet been released.
- Regional Council's default position was that they did not charge for information requests; however, charging was considered on a case by case basis considering a number of factors including the volume of information requested and the public interest in the information.

#### **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Local Government Official Information & Meetings Act 1987 – Annual Report 2022/23.**

**Crosby/Leeder  
CARRIED**

### **3.7 Internal Audit Annual Report 2022/23 and Status Update**

Presented by: Aaron Huggins – Principal Internal Auditor

#### **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Internal Audit Annual Report 2022/23 and Status Update.**

**Crosby/von Dadelszen  
CARRIED**

#### **Recognition of Jessica Easton**

Prior to moving into the Public Excluded Section of the meeting, the Chairperson, Cr Crosby, acknowledged Jessica Easton, Regional Council's former Legal and Commercial Manager, for her work in transitioning the organisation to having an in-house Legal team. This transition not only provided the organisation with a valuable skill set but had also been incredibly cost effective. Her work in the Public Transport contracts space and work/ assistance provided to the Tairāwhiti/Hawkes Bay district following cyclone Gabrielle was also acknowledged.

## **4. 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>
8.4	Expenditure and Koha report for the year ended 30 June 2023 - Attachment 3 - Koha for the twelve months ended 30 June 2023 - UNREDACTED - Public Excluded	Withholding the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.	48(1)(a)(i) Section 7 (2)(a).	To remain in public excluded.
8.4	Expenditure and Koha report for the year ended 30 June 2023 - Attachment 5 - Supplier Payments Reports for Year Ended 30 June 2023 - UNREDACTED - Public Excluded	Withholding the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.	48(1)(a)(i) Section 7 (2)(a).	To remain in public excluded.
0.1	Public Excluded Risk and Assurance Committee Minutes - 14 June 2023	As noted in the relevant Minutes.	As noted in the relevant Minutes.	To remain in public excluded.
0.2	Completed Internal Audit Reviews & Overdue Actions Update	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	48(1)(a)(i) Section 7 (2)(c)(i).	On the Chief Executive's approval.

		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.		
0.3	Legislative Compliance - Annual Report 2022/23	Making the information available would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial; Withholding the information is necessary to maintain legal professional privilege.	48(1)(a)(i) Section 6 (a); 48(1)(a)(i) Section 7 (2)(g).	To remain in public excluded.
0.4	Legal Services - Annual Report 2022/23	Making the information available would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial; Withholding the information is necessary to maintain legal professional privilege.	48(1)(a)(i) Section 6 (a); 48(1)(a)(i) Section 7 (2)(g).	To remain in public excluded.
0.5	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.
0.6	Risk and Assurance Committee - Steering Group for Insurance and Related Matters	Withholding the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who	48(1)(a)(i) Section 7 (2)(b)(ii).	On the Chief Executive's approval.

		supplied or who is the subject of the information.		
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2. **That Jessica Easton, as the former Regional Council Legal and Commercial Manager be permitted to stay in the public excluded section of the meeting due to her knowledge of the matters under discussion in Items 9.3 - Legislative Compliance - Annual Report 2022/33 and 9.4 - Legal Services - Annual Report 2022/23.**

**Crosby/Robertson  
CARRIED**

10.11am - the meeting **adjourned**.

10.30am - the meeting **reconvened** in Public Excluded.

**11.57am - the meeting closed.**

**CONFIRMED 7 DECEMBER 2023**

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Cr Stuart Crosby  
Chairperson, Risk and Assurance Committee