

# Risk and Assurance Committee

## Open Minutes

- Commencing:** Wednesday 25 September 2024, 9.30 am
- Venue:** Council Chambers, Regional House, 1 Elizabeth Street, Tauranga, and via Zoom (Audio Visual Meeting)
- Chairperson:** Cr Stuart Crosby
- Deputy Chairperson:** Bruce Robertson (Independent Member)
- Members:** Cr Ron Scott  
Cr Andrew von Dadelszen  
Cr Te Taru White (via Zoom)  
Chairman Doug Leeder (Ex Officio)
- In Attendance:** Councillors: Cr Jane Nees, Cr Kat Macmillan, Cr Lyall Thurston  
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; Steven Slack – Risk & Assurance Manager; Monique Brooks - Legal and Commercial Manager; Jenny Teeuwen – Committee Advisor  
External: Leon Pieterse and Warren Goslett - Audit NZ (via Zoom)
- Apologies:** Cr Kevin Winters

### 1. Chairperson’s Opening Statement

The Chairperson, Cr Stuart Crosby, declared the meeting open and reminded those present 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, link: [Risk and Assurance Committee - 25 September 2024 \(youtube.com\)](https://www.youtube.com/watch?v=...).

### 2. Apologies

#### Resolved

#### That the Risk and Assurance Committee:

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

Crosby/Robertson  
CARRIED

### 3. Order of Business

The Chairperson noted that in the Public Excluded session, item 10.2: Presentation - Hawke's Bay Cyclone Gabrielle Review, would be taken at 11.00am to accommodate the availability of the presenter, Kyle Christensen.

### 4. Declaration of Conflicts of Interest

Councillors Crosby and White declared a conflict of interest for item 9.2: Progress update on the Draft Annual Report for the year ended 30 June 2024, for matters regarding Quayside, both being Directors of Quayside Holdings Ltd.

### 5. Minutes

#### Minutes to be Confirmed

#### 5.1 Risk and Assurance Committee Minutes - 5 June 2024

##### Resolved

That the Risk and Assurance Committee:

- 1 Confirms the Risk and Assurance Committee Minutes - 5 June 2024 as a true and correct record.

von Dadelszen/Scott  
CARRIED

### 6. Reports

#### 6.1 Chairperson's Report

Presented by: Mat Taylor – General Manager, Corporate

##### In Response to Questions

- Bay of Plenty Regional Council Toi Moana (BOPRC) had championed benchmarking across the regional sector but had encountered some reluctance. It was hoped that central government's recent comments around benchmarking may invigorate this.
- Examples of how BOPRC was working collaboratively across the sector included:
  - Regional and Unitary Councils Aotearoa (Te Uru Kahika) were currently working on presenting back to central government on the core services that regional councils should be providing and how they should be measured, and BOPRC was involved in this.
  - The regional council sector was also collectively looking at how Victoria and New South Wales (Australia) undertook benchmarking, and would present the findings back to the Department of Internal Affairs (DIA) to support the ministerial direction.
  - Work was also being undertaken through the Corporate Special Interest Group (SIG) around benchmarking in the corporate area so this was consistent across councils.

- Considering use of best available technology e.g. water allocation technology.
- Working collaboratively across the sector to utilise best practice:
  - o BOPRC Dive Team - kept Bay of Plenty region's harbours and estuaries safe from marine pests, and were contracted around New Zealand by other councils.
  - o Northland Regional Council (NRC) were the lead council for the eradication of Caulerpa seaweed; they would provide assistance to this region if the pest was found here.
  - o Horizons Regional Council (HRC) were the only council in New Zealand that had flood modellers on staff. BOPRC could use the expertise of that unit as opposed to contracting it in.
- BOPRC undertook deliverability reviews that were reported through to this committee, particularly in the corporate area to look at reducing corporate costs.
- Having an agreed set of performance measures that central government was interested in and BOPRC could demonstrate was the key next step.

## Resolved

### That the Risk and Assurance Committee:

#### 1 Receives the report, Chairperson's Report.

**Crosby/Robertson  
CARRIED**

## 6.2 Progress update on the Draft Annual Report for the year ended 30 June 2024

Presented by: Kumaren Perumal - Chief Financial Officer  
AJ Prinsloo - Finance Manager  
Leon Pieterse - Audit NZ (via Zoom)  
Warren Goslett - Audit NZ (via Zoom)

### Key Points

- Provided update on the preparation of the Annual Report for the year ended 30 June 2024 and the progress of the document's audit process to date.
- Still on track for verbal audit clearance for the Annual Report on 15 October 2024 and adoption of the Annual Report on 23 October 2024.

### In Response to Questions

- A performance measure for the reduction of BOPRC carbon emissions by 26% was included in the Annual Report.
- Nothing extraordinary had been identified by either the Finance team or Audit NZ during the estimates and underlying assumptions review exercise.
- The Annual Report covered and closed off the last annual plan of the 2021/31 Long Term Plan (LTP) so some of the language/terminology might now seem out of date.
- Prudent debt management - suggested that BOPRC's key liquid assets should be identified for clearer understanding/readability. In conjunction with Audit NZ, staff would look at re-wording for better clarity.
- It was noted that central government direction on disclosure around financial prudence was quite prescriptive, especially around the

explanations for each benchmark, and was to ensure consistency across the sector and to enable central government to use the data for comparability reasons. Staff, along with Audit NZ would consider if there was any flexibility around the disclosure narrative.

- Additional commentary to give better context to actual results against targets for the “Percentage of monitored river and stream sites that meet the swimmability requirements” performance measure would be considered.
- The current 2024/34 LTP no longer had a performance measure for Return on Investment (ROI) against volunteers.

#### **Key Points - Members**

- Would like to see biosecurity included and feature prominently in the Strategic Priorities list.
- Suggested that “Ensuring the region was adapting to a changing climate” should be moved to the top of the list of Strategic Priorities.
- Suggested that an alternative be considered for the phrase “cost of living crisis” e.g. challenging financial times, or similar.

### **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Progress update on the Draft Annual Report for the year ended 30 June 2024.**

**Robertson/von Dadelszen  
CARRIED**

### **6.3 Chairman’s Discretionary Fund 2023/24**

Presented by: Mat Taylor – General Manager, Corporate

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

- The annual Chairman’s Discretionary Fund budget was \$15,000.

### **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Chairman’s Discretionary Fund 2023/24.**

**von Dadelszen/Crosby  
CARRIED**

### **6.4 Local Government Official Information & Meetings Act 1987 - Annual Report 2023/24**

Presented by: Monique Brooks - Legal and Commercial Manager

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

- The topic of the customer complaint that was still open with the Ombudsman was confidential and could not be disclosed in the Open session of this meeting.

- BOPRC did have repeat Local Government Official Information & Meetings Act (LGOIMA) requesters from time to time.
- There were no common themes for requests, but there were particular hot topics from time to time e.g. use of public funds, transport.
- There had been no particular requests for information regarding BOPRC's Open versus Public Excluded meetings/workshops.

## **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Local Government Official Information & Meetings Act 1987 - Annual Report 2023/24.**

**von Dadelszen/Scott  
CARRIED**

## **6.5 Internal Audit Annual Report 2023/24 and Status Update**

Presented by: Steven Slack – Risk & Assurance Manager

### **In Response to Questions**

- ICT security actions – the audit action included a broad range of systems and there was confidence that the core high risk systems had been investigated and the associated actions closed, but there were still a number of low risk systems to be investigated and therefore the overall ICT Security audit action remained open.

## **Resolved**

**That the Risk and Assurance Committee:**

- 1 Receives the report, Internal Audit Annual Report 2023/24 and Status Update.**

**von Dadelszen/Crosby  
CARRIED**

## **1. 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>
1.1	Public Excluded Risk and Assurance Committee Minutes - 5 June 2024	As noted in the relevant Minutes.	As noted in the relevant Minutes.	To remain in public excluded.
1.2	Hawke's Bay Cyclone Gabrielle Review	Withholding the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public.	48(1)(a)(i) Section 7 (2)(e).	To remain in public excluded.
1.3	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.
1.4	Legal Services - Annual Report 2023/24	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.
1.5	Legislative Compliance -	Making the information available would be likely to prejudice the	48(1)(a)(i) Section 6 (a); 48(1)(a)(i)	To remain in public excluded.

	Annual Report 2023/24	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.	Section 7 (2)(g).	
1.6	Key Risk Register - June 2024	Withholding the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.	48(1)(a)(i) Section 7 (2)(h).	On the Chief Executive's approval.
1.7	Key Risk Deep Dive Report - Digital and Information Management	Withholding the information is necessary to avoid prejudice to measures that prevent or mitigate material loss to members of the public; 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)(e); 48(1)(a)(i) Section 7 (2)(j).	To remain in public excluded.

**2 That Kyle Christensen be permitted to be present in the public excluded section of the meeting to present item 10.2: Presentation - Hawke's Bay Cyclone Gabrielle Review.**

**Scott/von Dadelszen  
CARRIED**

**12.44pm - the meeting closed.**

**CONFIRMED**

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Cr Stuart Crosby  
Chairperson, Risk and Assurance Committee