

**MINUTES OF KAPITI COAST DISTRICT COUNCIL
RISK AND ASSURANCE COMMITTEE MEETING
HELD IN THE COUNCIL CHAMBER, GROUND FLOOR, 175 RIMU ROAD, PARAPARAUMU
ON THURSDAY, 3 AUGUST 2023 AT 1.30PM**

PRESENT: Mr David Shand (Chair), Mayor Janet Holborow, Deputy Mayor Lawrence Kirby (via Zoom), Cr Liz Koh, Cr Jocelyn Prvanov, Cr Glen Cooper, Mr David Cochrane, Ms Oriwia Raureti

IN ATTENDANCE: Cr Martin Halliday, Mr Ewen Church, Ms Steffi Haefeli, Ms Kate Coutts, Mr Evan Dubisky, Mr Darren Edwards, Mr Bernie Randall, Mr Richard Mansell, Mr Cam Butler, Mr Bede Laracy, Ms Sarah Wattie, Ms Jing Zhou, Mr Mike Mendonça, Ms Hara Adams, Ms Janice McDougall, Mr James Jefferson, Mr Sean Mallon, Ms Kris Pervan
Via Zoom: Mr Mark de Haast

APOLOGIES: There were no apologies.

LEAVE OF ABSENCE: There were none.

1 WELCOME

David Shand, the Chair, welcomed everyone to the meeting.

2 COUNCIL BLESSING

The Chair opened the meeting with karakia.

3 APOLOGIES

APOLOGY

COMMITTEE RESOLUTION RAC2023/13

Moved: Cr Liz Koh

Seconder: Cr Jocelyn Prvanov

That the Risk and Assurance Committee accept the retrospective apology from Cr Glen Cooper for the 16 May 2023 meeting.

CARRIED

4 DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA

There were no declarations of interest.

5 PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA

Conrad Peterson spoke to Item 8.7 - Top 10 Organisational Risk Report, in particular organisational risk 8 – 'failure to prudently manage Council's financial stability including fraudulent activity'. The Chair answered Mr Peterson's questions, and Jing Zhou, Chief Financial Officer spoke to matters raised by Mr Peterson.

6 MEMBERS' BUSINESS

- (a) Leave of Absence
There were none.
- (b) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)
There were no matters of an urgent nature.

7 HE KŌRERO HOU | UPDATES

There were no updates.

8 PŪRONGO | REPORTS**8.1 HEALTH AND SAFETY QUARTERLY REPORT: 1 APRIL 2023 - 30 JUNE 2023**

Dianne Andrew, Organisational Development Manager spoke to the report and answered members' questions.

COMMITTEE RESOLUTION RAC2023/14

Moved: Cr Jocelyn Prvanov

Seconder: Cr Liz Koh

- A. That the Risk and Assurance Committee notes the Health and Safety Quarterly Report for the period 1 April 2023 – 30 June 2023 attached as Appendix One to this Report.

CARRIED

8.2 AUDIT PROPOSAL FOR THE 2023, 2024 AND 2025 FINANCIAL YEARS

Sam Nicolle, Ernst & Young Partner, spoke to the report and answered members' questions.

COMMITTEE RESOLUTION RAC2023/15

Moved: Mr David Cochrane

Seconder: Mr David Shand

- A. That the Committee receives and notes this report.
- B. That the Committee notes the EY audit fees, on behalf of the Auditor-General, for the 2023, 2024, 2025 financial years, as per attachment one to this report.
- C. That the Committee notes the EY Audit Engagement Letter, dated 27 June 2023, on behalf of the Auditor-General for the years ending 30 June 2023, 2024 and 2025, as per attachment two to this report
- D. That the Committee confirms the EY audit fees and Audit Engagement Letter, on behalf of the Auditor-General, and recommends approval to the Council at its next appropriate meeting.

CARRIED

8.3 PROGRESS UPDATE REGARDING AUDIT CONTROL FINDINGS 2021/22

Mark de Haast, Group Manager Corporate Services took the report as read and answered

members' questions.

COMMITTEE RESOLUTION RAC2023/16

Moved: Cr Glen Cooper

Seconder: Cr Liz Koh

That the Risk and Assurance Committee notes:

- A. the progress update regarding Ernst & Young's Report on Control Findings for the year ended 30 June 2022, including Appendix 1 to this report, and
- B. that Ernst & Young will re-assess these as part of their audit for the year ended 30 June 2023.

CARRIED

8.4 QUARTERLY TREASURY COMPLIANCE

Jing Zhou, Chief Financial Officer spoke to the report. Darren Edwards, Chief Executive answered members' questions.

COMMITTEE RESOLUTION RAC2023/17

Moved: Mayor Janet Holborow

Seconder: Mr David Cochrane

- A. That the Risk and Assurance Committee notes the Council's full compliance with its Treasury Management Policy for the three months ended 30 June 2023.

CARRIED

8.5 2023 COUNCIL INSURANCE UPDATE

Sam Ketley, Head of Enterprise Risk Solutions at AON, spoke to a presentation on this item, and alongside Mark de Haast, Group Manager Corporate Services, answered members' questions.

COMMITTEE RESOLUTION RAC2023/18

Moved: Mr David Shand

Seconder: Mayor Janet Holborow

- A. That the Risk and Assurance Committee notes the Council's 2023 insurance renewals and the progress update regarding alternative risk financing options.

CARRIED

Item 8.5 – 2023 Council Insurance Update Presentation**Appendices**

- 1 Item 8.5 - 2023 Council Insurance Update

The meeting adjourned at 3.09pm and reconvened at 3.15pm.

8.6 CHIEF EXECUTIVE REPORT

Darren Edwards, Chief Executive spoke to the report and answered members' questions.

COMMITTEE RESOLUTION RAC2023/19

Moved: Mayor Janet Holborow

Seconder: Cr Jocelyn Prvanov

- A. That the Risk and Assurance Committee receives and notes this report.

CARRIED

8.7 TOP 10 ORGANISATIONAL RISK REPORT

Mark de Haast, Group Manager Corporate Services spoke to the report and alongside Ewen Church, Chief Information Officer, answered members' questions.

COMMITTEE RESOLUTION RAC2023/20

Moved: Mr David Cochrane

Seconder: Cr Glen Cooper

- A. That the Risk and Assurance Committee receives and notes this report, including Appendix 1 to this report.

CARRIED

8.8 INTERNAL AUDIT - PROGRESS UPDATE INTERNAL AUDIT WORK PROGRAMME

Mark de Haast, Group Manager Corporate Services took the report as read.

COMMITTEE RESOLUTION RAC2023/21

Moved: Cr Liz Koh

Seconder: Mayor Janet Holborow

- A. That the Risk and Assurance Committee receives and notes the Internal Audit progress update on the work programme for 2023.

CARRIED

8.9 COUNCIL'S CREDIT RATING FOR 2023/24

Jing Zhou, Chief Financial Officer and Mark de Haast, Group Manager Corporate Services spoke to the report and answered members' questions.

COMMITTEE RESOLUTION RAC2023/22

Moved: Mayor Janet Holborow

Seconder: Mr David Shand

- A. That the Risk and Assurance Committee receives this report, including attachment 1 to this report.
- B. That the Risk and Assurance Committee notes that S&P Global have re-affirmed the Council's credit rating for 2023/24 as AA but has revised the Council's outlook from stable to negative.

- C. That the Risk and Assurance Committee notes that budgetary management concerns raised by S&P Global will be monitored and reported during 2023/24 and taken into further consideration when developing the budgets for the 2024-34 Long Term Plan.

CARRIED

9 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES

9.1 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION RAC2023/23

Moved: Mr David Cochrane

Seconder: Cr Jocelyn Prvanov

That the minutes of the Risk and Assurance Committee meeting of 16 May 2023 be accepted as a true and correct record.

CARRIED

10 CONFIRMATION OF PUBLIC EXCLUDED MINUTES

11 PUBLIC EXCLUDED REPORTS

RESOLUTION TO EXCLUDE THE PUBLIC

PUBLIC EXCLUDED RESOLUTION RAC2023/24

Moved: Mr David Shand

Seconder: Cr Liz Koh

That, pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987, the public now be excluded from the meeting for the reasons given below, while the following matters are considered.

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(1) 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
10.1 - Confirmation of Minutes	<p>Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>Section 7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information</p>	Section 48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	
<p>11.1 - Legislative Compliance Report - 1 April 2023 to 30 June 2023</p>	<p>Section 7(2)(c)(i) - the withholding of 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</p> <p>Section 7(2)(f)(ii) - the withholding of the information is necessary to maintain the effective conduct of public affairs through the protection of Council members, officers, employees, and persons from improper pressure or harassment</p>	<p>Section 48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>11.2 - Litigation and External Investigations Report</p>	<p>Section 7(2)(c)(ii) - the withholding of 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 otherwise to damage the public interest</p> <p>Section 7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>Section 48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>

CARRIED

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee meeting went into public excluded session at 3.59pm.

COMMITTEE RESOLUTION RAC2023/28

Moved: Mr David Shand

Seconder: Cr Liz Koh

That the Te Komiti Whakamauru Tūraru | Risk and Assurance Committee moves out of a public excluded meeting.

CARRIED

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee came out of public excluded session at 4.29pm.

Oriwia Raureti closed the meeting with karakia.

The Te Komiti Whakamauru Tūraru | Risk and Assurance Committee meeting closed at 4.30pm.

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HEAMANA | CHAIRPERSON