

Unconfirmed

Minutes of a meeting of the Risk and Audit Committee

Date: 6 August 2025

Time: 9.00am

Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Present: S Maloy – Chair
Cr X Harding – Deputy Chair
Cr T Hokianga
Cr N Kirton
Cr J Mackintosh

In Attendance: N Peet – Chief Executive
P O'Connor – Group Manager Corporate Services
C Comber – Chief Financial Officer
L Hooper – Team Leader Governance
T O'Shaughnessy – Treasury & Investments Accountant
A Sandilands – Chief Legal Advisor
D Nalder – Acting Risk Manager
O Giraud-Burrell – Quality & Assurance Advisor
M McGarvey – Acting Chief Information Officer
W Roberts – Team Leader Health Safety and Wellbeing
R Ross – Interim Head of Health and Safety

1. Welcome/Karakia /Apologies

The Chair welcomed everyone and Councillor Harding led the group to open the meeting with a karakia.

2. Conflict of interest declarations

There were no conflicts of interest declared.

3. Confirmation of Minutes of the Risk and Audit Committee meeting held on 7 May 2025

RAC35/25 Resolution

Minutes of the Risk and Audit Committee meeting held on Wednesday, 7 May 2025, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Mackintosh/Maloy
CARRIED**

4. Treasury Compliance Report for the period 1 April - 30 June 2025

Tracey O'Shaughnessy and Chris Comber spoke to the item, which was taken as read. Queries and discussions covered:

- Short term debt levels are subject to the timing of Crown reimbursement for the NIWE projects because Council pays 100% up front and then submits claims for reimbursement.
- Longer term debt in future years may constrain the Council's ability to take on big projects while staying within the debt ceiling of 250% of operating revenue and interest to rates ratio. The debt drivers and future considerations will be further discussed at Corporate and Strategic and Council meetings.
- There is a final report on the audit of the commercial silt and debris funding programme which will be shared with Council.
- Finance staff were congratulated for their work in achieving the AA credit rating.

RAC36/25 Resolution

That the Risk and Audit Committee receives and notes the *Treasury Compliance Report for the period 1 April – 30 June 2025*.

**Harding/Mackintosh
CARRIED**

Councillor Thompson Hokianga joined the meeting in person at 9.30am

5. August 2025 Risk Management update

Stephanie Maloy introduced the item, advising that queries delving into the underlying detail may require moving the meeting into public excluded session, before Pip O'Connor provided an overview of the matters covered by the item, which was taken as read. Queries and discussions covered:

- It was suggested it would be helpful to link the context to the dashboard.
- A report on the shared service strategy and opportunities was requested, for the Corporate and Strategic Committee.
- Concerns were expressed about the risk reporting to this committee under the shared service agreement and ensuring that it continues to meet the needs of the committee and HBRC.
- Human resource, e.g. recruitment, risks are appropriately aligned to how they impact other risks on the enterprise framework.
- There is a comprehensive assurance framework for the NIWE projects including

independent audit reviews.

Aimee Sandilands introduced Will Roberts and Robyn Ross, who spoke to the Health and Safety topic.

- Robyn explained the process to align the Council’s Health and Safety framework to ISO standards.
- It was reiterated that metrics for H&S and staff resourcing are provided quarterly to the Corporate and Strategic Committee as part of the Organisational Performance Report.
- Nic Peet advised that the regional sector is looking at health and safety liability issues in light of the Ports of Auckland CEO’s conviction.

Pip O’Connor introduced Mike McGarvey, who spoke to the technology topic and highlighted:

- Implementing a new Contract Management technology solution, replacing the aging Rates system and installing a Starlink at the Dalton Street office as a failsafe measure for network resilience.
- David Nalder introduced the risk management update. It was noted that the intel from the ELT and business owner of each risk, as the people who understand and are accountable for the operational area, are contained in the one page management plans.

RAC37/25

Resolution

That the Risk and Audit Committee receives and considers the *August 2025 Risk Management update* staff report.

**Harding/Kirton
CARRIED**

6. August 2025 Legal update

RAC38/25

That the Risk and Audit Committee excludes the public from this section of the meeting, being Agenda Item 5 August 2025 Legal update and in-depth discussions of risk management and critical controls, with the general subject of the item to be considered while the public is excluded. The reasons for passing the resolution 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:

General subject of the item to be considered	Grounds under section 48(1) for the passing of the resolution	Rationale for passing the resolution to exclude the public
August 2025 Legal update	s7(2)(g) Excluding the public is necessary to prevent disclosure of information that is legally privileged.	The matters being discussed may potentially be the subject of litigation and the Council has engaged legal advisors to provide advice on associated issues.
Risk Management detailed discussion	s7(2)(f)(ii) to maintain the effective conduct of public affairs by protecting councillors and/or council employees and contractors/ consultants from improper pressure or harassment s7(2)(j) to prevent the disclosure or use of official information for improper gain or improper advantage	To prevent information about Council’s critical controls being accessed and used maliciously to harm the Council, its systems, employees or elected councillors. The public interest is protected by not allowing the information to be accessed by anyone outside the organisation.

**Maloy/Mackintosh
CARRIED**

7. Confirmation of Public Excluded Minutes

RAC39/25 That the Risk and Audit Committee excludes the public from this section of the meeting being Confirmation of Public Excluded Minutes Agenda Item 6 with the general subject of the item to be considered while the public is excluded. The reasons for passing the resolution 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:

General subject of the item to be considered	Grounds under section 48(1) for the passing of the resolution	Reason for passing this resolution
May 2025 Risk Management update	s7(2)(f)(ii) Excluding the public is necessary to maintain the effective conduct of public affairs by protecting councillors and/or council employees and contractors/consultants from improper pressure or harassment s7(2)(j) Excluding the public is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	To prevent information about Council's critical controls being accessed and used maliciously to harm the Council, its systems, employees or elected councillors. The public interest is protected by not allowing the information to be accessed by anyone outside the organisation.
May 2025 Legal update	s7(2)(g) Excluding the public is necessary to prevent disclosure of information that is legally privileged	The matters being discussed may potentially be the subject of litigation and the Council has engaged legal advisors to provide advice on associated issues.

Maloy/Mackintosh
CARRIED

The meeting went into public excluded session at 10.28am and out of public excluded session at 12.07pm

Closure:

There being no further business the Chair declared the meeting closed at 12.08pm on Wednesday, 6 August 2025.

Signed as a true and correct record.

Date:

Chair: