

Audit and Risk Subcommittee
Wednesday 22 February 2023 at 9am

AGENDA

Audit and Risk Subcommittee Agenda

Meeting to be held in the Council Chamber
36 Water Street, Whangārei
on Wednesday 22 February 2023, commencing at 9am

Recommendations contained in the agenda are NOT decisions of the meeting. Please refer to minutes for resolutions.

MEMBERSHIP OF THE AUDIT AND RISK SUBCOMMITTEE

Chairperson, Councillor Peter-Lucas Jones

Councillor Amy Macdonald

Councillor Rick Stolwerk

Councillor Joe Carr

Councillor Marty Robinson

Independent Advisor Stuart Henderson

KARAKIA / WHAKATAU

RĪMITI (ITEM)

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2.0 NGĀ WHAKAPAHĀ/APOLOGIES

3.0 NGĀ WHAKAPUAKANGA/DECLARATIONS OF CONFLICTS OF INTEREST

4.0 REPORTS

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Audit and Risk Subcommittee
29 June 2022

Audit and Risk Subcommittee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei and via audio visual link
on Wednesday 29 June 2022, commencing at 10.00am

Tuhinga/Present:

Chairperson, Colin Kitchen
Councillor Amy Macdonald
Councillor Rick Stolwerk
Ex-Officio Penny Smart
Independent Advisor Stuart Henderson

I Tae Mai/In Attendance:

Full Meeting

Tumuaki – Chief Executive Officer (*via audio visual link*)
Pou Taumatua - GM Corporate Services (*via audio visual link*)
Pou Tiaki Taiao - Group Manager Environmental Services
PA/Team Admin Governance and Engagement

Part Meeting

Human Resources Manager
Corporate Strategy Manager
Corporate Systems Champion
Financial Accountant

The Chair declared the meeting open at 10.01 with a Karakia by Councillor Stolwerk

Ngā Mahi Whakapai/Housekeeping (Item 1.0)

Ngā whakapahā/Apologies (Item 2.0)

Moved (Stolwerk/Kitchen)

That the apologies from Councillor Yeoman for non-attendance be received.

Carried

Nga whakapuakanga/Declarations of Conflicts of Interest (Item 3.0)

It was advised that members should make declarations item-by-item as the meeting progressed.

Audit and Risk Subcommittee
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Confirmation of Minutes - 30 March 2022 (Item 4.1)

Report from Judith Graham, Corporate Services P/A

Moved (Stolwerk/Macdonald)

That the minutes of the Audit and Risk Subcommittee meeting held on 30 March 2022, be confirmed as a true and correct record.

Carried

Receipt of Action Sheet (Item 5.1)

Report from Judith Graham, Corporate Services P/A

Moved (Stolwerk/Macdonald)

That the action sheet be received.

Carried

The Pou Taumatua - GM Corporate Services provided an overview of the action sheet. It was agreed to remove 6485 and revisit it in the new triennium, when a replacement Independent Audit and Risk Advisor for Danny Tuato'o will have been appointed. His immediate replacement is not essential and active recruitment can wait until after the 2022 local elections in October.

Actions

- Remove 6485 and revisit it in the new triennium.

Internal Audit Schedule (Item 6.1)

Report from Judith Graham, Corporate Services P/A

Moved (Stolwerk/Macdonald)

That the report 'Internal Audit Schedule' by Judith Graham, Corporate Services P/A and dated 16 June 2022, be received.

Carried

Key discussion points:

- There is enough resource for existing internal audits through staff capacity and use of consultants, however, budget is an issue. Although if council accepts all the recommendation in Item 6.3 Internal Audit Maturity Assessment – Update, then at least extra one FTE would be needed
- The Independent Financial Advisor advised that:
 - external auditors in the coming year will be focusing on fraud and re-evaluations, in particular fraud in relation to rates and fees assessments
 - help will be needed to prioritise internal audits.

Actions

- Staff to consider addressing the following in the Internal Audit Schedule:
 - maturity risk assessment on health and safety processes

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Audit Plan FY22 (Item 6.2)

Report from Bruce Howse, Pou Taumatua – Group Manager Corporate Services

Moved (Stolwerk/Macdonald)

That the report 'Audit Plan FY22' by Bruce Howse, Pou Taumatua – Group Manager Corporate Services and dated 11 April 2022, be received.

Carried

Key discussion points:

- The audit is consistent with previous years, except for the additional new area of focus – investment in subsidiaries and associates – which reflects the change in ownership of Northland Inc
- There is no additional budget needed for the new area as NRC had already agreed to an uplift in the fee to Deloitte.

Actions

- GM Corporate Services to discuss with Deloitte expanding the audit scope to include:
 - RHSL which will be a complex space as it converts its focus on software to becoming a shared service
 - Kaipara Moana Remediation (Deloitte currently review and report on KMR)
 - Additional checks on Crown contracts given their number and value (noting that some of the large Ministry for the Environment funded projects require annual reporting)
- GM Corporate Services to discuss with Deloitte about how to execute confirmation letters earlier than what is in the audit programme before the Chief Executive Officer's (CEO) retirement, so the incoming CEO is not expected to sign things he is not aware about.

Internal Audit Maturity Assessment - Update (Item 6.3)

Report from Bruce Howse, Pou Taumatua – Group Manager Corporate Services

Moved (Stolwerk/Macdonald)

That the report 'Internal Audit Maturity Assessment - Update' by Bruce Howse, Pou Taumatua – Group Manager Corporate Services and dated 12 May 2022, be received.

Carried

The Corporate Strategy Manager presented a review of the Deloitte internal audit maturity review and a proposed improvement plan.

Key discussion points:

- Considering the broader maturity, NRC is aiming to move from a 2 to a 3 – 4 rating of internal audit function and capability, rather than a gold star 5 rating
- The organisation's risk profile is growing because the organisation's size is growing. No one has end to end visibility, so NRC needs to keep strengthening systems. It's a commitment over time, not overnight and the challenge is to manage risk in the meantime until all the threads – ISO standards, RMA requirements etc – are integrated into one programme of work. If the ball is dropped, NRC risks reputational damage
- Ideally the organisation would have an internal audit champion with no self-review and a direct channel to the CEO and Chair of Audit and Risk Committee, or have the role outsourced (noting there is currently a shortage of auditors which creates a resourcing issue)

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- The focus of the Deloitte report was on the Executive Leadership Team (ELT) taking ownership, with any issues escalated to this committee and then to council in terms of governance
- Credit was given to the Corporate Strategy team and the Continuous Improvement Steering Group for their work on the report and proposed action plan in response to the Deloitte assessment.

Actions

- Staff to consider how the connection between audit and governance might be strengthened
- ELT to consider and advise how the improvement plan work might be resourced and bring it back to the committee in due course.

Risk Management Activity Update (Item 6.4)

**Report from Kym Ace, Corporate Systems Champion and Kyla Carlier, Corporate Strategy Manager
Moved (Stolwerk/Macdonald)**

That the report 'Risk Management Activity Update' by Kym Ace, Corporate Systems Champion and Kyla Carlier, Corporate Strategy Manager and dated 7 June 2022, be received.

Carried

Key discussion points:

- Members discussed concerns and mitigations around non-compliance with Health and Safety at Work Act 2015, recruitment and retention of expertise, and whether ratings for legislative change and future local government reform were accurate for the incoming council.

Risk Deep Dives (Item 6.5)

**Report from Kym Ace, Corporate Systems Champion and Kyla Carlier, Corporate Strategy Manager
Moved (Stolwerk/Kitchen)**

That the report 'Risk Deep Dives' by Kym Ace, Corporate Systems Champion and Kyla Carlier, Corporate Strategy Manager and dated 14 June 2022, be received.

Carried

Key discussion points:

- The Resource Management Act reforms are more significant than 3 Waters and will significantly impact NRC's ability to resource business as usual which has focused on delivering field work
- Without a rates increase, frontline services will need to be reduced and the money reallocated to build regulatory, policy and corporate services capacity.

Kaupapa ā Roto/Business with Public Excluded (Item 7.0)

Ngā mahi tūtohutia / Recommendations

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1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reasons/Grounds
7.1	Confirmation of Confidential Minutes - 30 March 2022	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting -.

3. That the Independent Advisors be permitted to stay during business with the public excluded.

Whakamutunga (Conclusion)

The meeting concluded at 11.25am.

TITLE: Insurance Summary 2022/2023

From: Bruce Howse, Pou Taumatua – Group Manager Corporate Services

Authorised by Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 14
Group Manager/s: February 2023

Whakarāpopototanga / Executive summary

Council's total insurance premium for 2022/23 is \$614,958, this represents a 29% increase over the 2021/22 total insurance premium of \$476,631.

A summary of council's insurance renewals for 2022/23 is attached. This summary includes comments on significant changes and drivers in the increase in premium values.

The more material premium increases relate to:

- **Material damage** (\$49,830 premium increase) – driven by increase in revaluations. NRC recovers 77% of the premium from tenants across all rental properties. This lowers to 47% recovery of premium across all properties, when including the ones NRC inhabit. Hence the premium cost increase incurred directly to NRC is \$26,409.
- **Professional indemnity** (\$28,765 premium increase).
- **Commercial motor** (\$23,945 premium increase) – driven by a larger fleet and the increased cost to repair modern vehicles. The subcommittee may wish to discuss the merits and pitfalls of council self-insuring the vehicle fleet or other insurance options. This is discussed in further detail below.
- **Harbour Master Liability** (\$21,815 premium increase) – driven by estimated increase in pilotage volume.

Representatives from AON, NRC's insurance brokers, will be in attendance to discuss insurance related matters with the subcommittee.

Self-insurance of commercial motor

Commercial motor premium is \$90,323 against a total insured value of \$2,997,701 with an excess of \$500. This represents approximately \$1 of premium cost per \$33 of the motor fleet value.

Council could choose to self-insure the motor fleet (or other assets).

Self-insurance of the motor fleet would require council to fund the costs for any damage for which it is liable. This also would include third party liability. Third party liability is considered the greatest risk exposure to council if it were to self-insure, with the potential for liability to greatly exceed the total annual premium cost.

If council were of a mind to consider self-insurance of the motor fleet, it would need to consider mechanisms to fund the cost for potential liabilities. Mechanisms for this could include the establishment of a reserve, funded from the savings in premium cost and adjusted annually. No analysis has been completed on what the quantum of a reserve to cover this should be and further advice would need to be sought on this and the risk profile associated with self-insurance. This approach would not be without risk, as a third-party liability event of a significant nature exceeding the quantum of a reserve would leave council exposed.

There are also other factors to consider. For example, the majority of council's fleet is concentrated at the Water Street office; an adverse event at that location could result in a significant loss to council given the concentrated nature of the fleet. There is also the personal injury component to consider, the Council can be found liable for costs over and above what is covered by ACC which could turn out to be significant if Council is liable to for an extended period of time.

Other options to reduce commercial motor premium

AON have provided some options as an alternate to NRC's current cover. These options are increased excess and/or removal of windscreen cover (Table 1). However, when viewed in comparison to NRC's commercial motor claims history (Table 2) these options are not considered to be preferable over the current cover arrangements.

Table 1: Alternative commercial motor insurance options.

	Excess	Premium	Saving over renewal this year
Windscreen cover	\$ 500	\$ 89,331	
Windscreen cover	\$ 5,000	\$ 81,331	-8,000
Without windscreens	\$ 500	\$ 76,831	-12,500
Without windscreens	\$ 5,000	\$ 68,831	-20,500

Table 2: NRC commercial motor claims history since 2019.

Insurance Period	Fleet value	Fleet Number	Cost per vehicle	Total Premium (EX Levies)	Total Claims Value	Number of Windscreens	Number of claims	Windscreens \$
2019 – 2020	\$ 2,099,775	86	\$703	\$ 60,435	\$ 35,247	85	98	\$ 19,548
2020 – 2021	\$ 2,369,117	82	\$647	\$ 53,030	\$ 17,901	47	50	\$ 10,353
2021-2022	\$ 2,370,052	88	\$744	\$ 65,451	\$ 38,647	61	75	\$ 21,574
2022-2023	\$ 2,997,701	98	\$912	\$ 89,331	\$ 817	5	5	\$ 817
Total				\$268,247	\$ 92,612	198	228	\$ 52,292

Ngā mahi tūtohutia / Recommendation

That the report 'Insurance Summary 2022/2023' by Bruce Howse, Pou Taumatua – Group Manager Corporate Services and dated 20 January 2023, be received.

Background/Tuhinga

Nil.

Attachments/Ngā tapirihanga

Attachment 1: Insurance renewals 2022-23 [↓](#) 

Insurance Policy	Covers	2021-22 Cover \$	2021-22 Premium Pa	2022-23 Cover \$	2022-23 Premium Pa	2022-23 Excess	Comments
Material Damage Fire/ Material Damage Ex Fire	Material damage cover insures Council against loss or damage to physical assets including buildings, contents, plant and equipment & field equipment	\$52,002,751	\$133,647	\$95,077,752	\$183,477	\$10,000	Large increase in MD cover \$ - Insurance valuations were done on Investment Properties (which had not been done since 2017) and also the completed Kaipara Service Centre
Liability Excess Layer - Additional Councils Effective	Additional Layer over and above the \$15,000,000 Liability insurance	\$145,000,000	\$18,106	\$145,000,000	\$16,682	\$15,000,000	No Change
Public Liability	Public Liability Insurance, often referred to as General Liability, gives you peace of mind, protecting council business against such claims by providing compensation for property damage, and personal injury or death in circumstances that are not covered by the Accident Compensation Commission (ACC)	\$15,000,000	\$18,503	\$15,000,000	\$19,431	\$10,000	No Change
Professional Indemnity	Protects Council and staff against any financial losses or legal action taken against Council for services or advice you have provided.	\$15,000,000	\$82,231	\$15,000,000	\$110,996	\$25,000	No Change
Commercial Motor	Protects any vehicles used for Council purposes against property damage and liability	\$2,370,052	\$66,378	\$2,997,701	\$90,323	\$500	Motor Vehicle Fleet had increased by 11 with only 4 sales of vehicles in the 2021/2022 financial year & cost of repairing vehicles are increasing
Employers Liability	Employers Liability insurance provides cover for claims made by employees against employers for injuries or illness occurring in the workplace - that falls outside the scope of cover provided by ACC.	\$1,000,000	\$1,582	\$1,000,000	\$1,664	\$1,000	No Change
Statutory Liability	A statutory liability policy is designed to protect Council from fines, penalties and reparation under the health and safety legislation imposed by the courts for unintentional breaches of most laws in New Zealand. It also covers the legal costs of investigating and defending claims	\$2,000,000	\$8,260	\$2,000,000	\$8,675	\$10,000 except for - \$25,000 claims arising from Health and Safety and Resource Management Act	No Change
Harbour Masters Liability	** Wreck removal excess is \$100,000	\$40,000,000	\$64,575	\$40,000,000	\$86,390	\$50,000 except for - \$100,000 claims Wreck Removal	Increase in estimated Pilotage for the 22/23 year
	Sums which the Insured is legally liable for whilst exercising the statutory powers and duties of Harbour Master.						
UAV Hull and Liability Insurance	UAV Hull/ Drone cover of devices for the named Pilots	\$18,392	\$2,876	\$18,500	\$1,360	\$250	Decrease as the Value of the Drone has decreased
	Includes a \$1,000,000 Third party liability						

Insurance Policy	Covers	2021-22 Cover \$	2021-22 Premium Pa	2022-23 Cover \$	2022-23 Premium Pa	2022-23 Excess	Comments
Forestry Cover	Standing Timber - Mt Tiger forest 12 Blocks. Fire Fighting Levy, ReEstablish & Removal of Debris, Hail Strike and Claims Preparation	\$3,915,596	\$5,949	\$3,915,596	\$6,500	1.5% of the Sum Insured of each and every Forest Location with Area Damaged minimum \$5,000, maximum \$2,500,000 Each & Every Single Cause	Increase in forestry Value
Marine Hull	Covers Marine Hull and Navigation Aids - accidental loss or damage to boats used for commercial purposes; it includes salvage costs, and third party liability cover (\$5M). Vessels insurance covers accidental loss or damage to the vessel	\$3,117,117	\$24,437	\$3,212,117	\$25,178	Various	Increase in Vessel Replacement Values
Infrastructure	Flood Protection (Awanui, Kaeo, Whangarei Urban) Covers Physical loss caused by a Natural Castastrophe Event including: Earthquake, Natural Landslip, Flood, Tsunami, Tornado, Windstorm, Volcanic Eruption, Hydrotherman & Geothermal Activity and Subterranean Fire	\$27,266,439	\$21,148	\$28,127,625	\$26,341	\$100,000	Slight increase as there was an increase in value - <i>Note: we have been "tacked on" to Waikato infrastructure buying</i>
Confidentiality	Responds to claims for direct loss to Council arising from any fraudulent or dishonest act or acts committed by employees and third parties. Given the nature of this cover it is incumbent upon Council to maintain strictly confidentiality as to the existence or otherwise of such cover	\$1,000,000	\$8,147	\$1,000,000	\$9,274	\$25,000	No Change
Professional Accident	Financial and other assistance for Council, your employees and their families in the event of an employee's accidental injury or death	Various	\$9,760	Various	\$11,181	7 day wait period for Weekly Injury Benefit and Weekly Sickness Benefit	No Change
Travel	Covers Employees from financial losses occurred during international and domestic business trips	Various	\$860	Various	\$1,465	\$250 for Mobile Electronic Equipment. 7 days wait period for Temporary Total Disablement. No other excesses	Increase as there is more travel as covid restrictions lift
Cyber	Provides cover in the event that Council is a victim of a data breach. It covers the financial consequences of lost or stolen employee or customer data, including damages claims and loss of profit, while it also covers the cost of restoring or recollecting data following a breach	\$2,000,000	\$7,660	\$2,000,000	\$13,065	\$25,000	Increase as the likelihood of a cyber attack is higher - getting harder to get cyber insurance
Water Road	Covers the Flyger Road Nursery -Including standing Timber - Poplars, Total Span Shed and Equipment used on the nursery	\$374,994	\$2,513	\$418,950	\$2,956	\$2,500	Increase in irrigation value and machinery replacement costs
		\$476,631		\$614,958			
		Annual Increase	\$53,044			\$138,327	
		% annual increase	12.52%			29.02%	

TITLE: Internal Audit Schedule

From: Bruce Howse, Pou Taumatua – Group Manager Corporate Services

Authorised by Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 14
Group Manager/s: February 2023

Whakarāpopototanga / Executive summary

The internal audit schedule is provided in Table 1. The schedule shows the timing for each internal audit item and a status update on progress.

A proposed internal audit schedule for 2023/24 onwards is provided in Table 2, noting that the 2024/25 schedule will be developed further over time.

Ngā mahi tūtohutia / Recommendation

That the report 'Internal Audit Schedule' by Bruce Howse, Pou Taumatua – Group Manager Corporate Services and dated 3 February 2023, be received.

Background/Tuhinga

Table 1. Internal Audit Schedule

Key			
Complete	Underway	Deferred	Not Started
Year	Item	Status	
2020/21	FNDC rates collection, audit to confirm robustness of collection of NRC rate revenue and general title arrears recovery process.	Complete.	
2020/21	Human resources procedures.	Complete.	
2020/21	Fraud control environment (counter-fraud gap analysis).	Complete.	
2020/21	Insurance – AON insurable risk review.	Complete.	
2021/22	KDC rates collection, audit to confirm robustness of collection of NRC rate revenue and general title arrears recovery process.	Complete.	
2021/22	Property management.	Complete. Findings are reported within this agenda.	
2021/22	Risk management.	Deferred. Replaced with 'Fraud and Corruption Risk Assessment' as reported to Subcommittee in June 2021. Potential to reconsider undertaking this review in 23/24.	
2021/22	Procurement.	Deferred. Replaced with 'Strengthen the Management of Third parties' as reported to	

		Subcommittee in June 2021. Potential to reconsider undertaking this in 23/24.
2021/22	Fraud and Corruption Risk Assessment.	Complete.
2021/22	Strengthen the Management of Third parties.	Complete.
2022/23	WDC rates collection, audit to confirm robustness of collection of NRC rate revenue and general title arrears recovery process.	Auditors have been engaged to prepare a brief of work. Work to commence in 2022/23.
2022/23	Externally managed funds – Statement of Investment and Policy Objectives review (SIPO).	Work has commenced, with an external draft SIPO review report received late January 2023. The final report will be workshopped with the Investment & Property subcommittee and council to determine which, if any, of the review findings council wishes to adopt in a revised SIPO.
2022/23	Health and Safety.	An independent contractor has been appointed to undertake this audit and work is scheduled to commence in February 2023.
2022/23	Legislative compliance.	Work to commence in 2022/23. Proposing to undertake a review to assess opportunities to strengthen our current approach and systems. Review to be undertaken with internal resources.

Table 2: Proposed internal audit schedule 2023/24 onwards.

Year	Item	Status
2023/24	Policy and protocol management review. Audit to confirm policies and protocols are being reviewed on time, are filed correctly, and that approval lines are appropriate and current. <i>Note – link to risk R00223</i>	Work to commence in 2023/24
2023/24	Business Continuity and pandemic response. Audit to review systems and processes in place against national best practice and lessons learned, conduct gap analysis. <i>Note – link to risk R00235 and R00244</i>	Work to commence in 2023/24
2023/24	Fleet management. Audit of fleet suitability and management, including ratio of 4x4s to electric vehicles. Expected to be largely a desktop exercise pulling together existing work. <i>Note – link to risk R00137</i>	Work to commence in 2023/24
2023/24	Flexible working. Audit of work-from-home arrangements across the organisation, testing consistency and management across activity areas, satisfaction, and comparison to similar organisations.	Work to commence in 2023/24
2024/25	Forest Management, audit of effectiveness of (outsourced) management, harvest schedule, health and safety compliance, reporting etc.	Work to commence in 2024/25, once new forest manager is in place.

Attachments/Ngā tapirihanga

Nil

TITLE: Risk Management Activity Update

From: Kyla Carlier, Corporate Strategy Manager

Authorised by Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 15
Group Manager/s: February 2023

Whakarāpopototanga / Executive summary

The Risk Management Activity Update Report outlines the summary of Council’s progress in risk management related activities including updates on Corporate, Fraud, Dishonesty and Corruption Risks.

Ngā mahi tūtohutia / Recommendation

That the report ‘Risk Management Activity Update’ by Kyla Carlier, Corporate Strategy Manager and dated 3 February 2023, be received.

Background/Tuhinga

Risk can be simply defined as “The effect of uncertainty on objectives”; Risk management is the assessment of this uncertainty, and encompasses both the likelihood of something happening, and the consequences or impacts if it were to happen, which can introduce both opportunity and hazards.

Risk needs to be understood in order to make informed decisions.

Council uses tools to manage risk including a risk management framework, policy, and risk register which is maintained in council’s Promapp risk module. Council maintains Corporate, group, health and safety and project risk registers.

Progress on risk management since the last meeting of the Audit and Risk Subcommittee includes:

1. The corporate, fraud, dishonesty and corruption risk registers have been refreshed following leadership review.
2. The risks and their treatment/s (mitigation action/s) are being managed by staff through the Promapp risk module. Risk reporting is being provided quarterly to the Audit and Risk Subcommittee, or in accordance with the subcommittee’s meeting schedule. The monitoring of the corporate and fraud dishonesty and corruption risk registers is performed by the Corporate Strategy team monthly.

This report provides several summaries:

- The top 14 corporate risks, their pre-control (inherent) and post control (residual) rating and trending (traffic light) are summarised in **Table 1**.
 - Key changes, additions and updates from this quarter’s review are identified in **Table 2**.
 - The corporate risks, their risk types, pre-control (inherent) and post control (residual rating) are summarised in **Attachment 1**.
-

- The Risk register for Kaipara Moana Remediation (KMR) from September 2022 is included as **Attachment 2**. This risk register is reviewed and refreshed every six months and is included here for information only.

Table 1. Top 14 corporate risk listed as their residual scores rank

Key – Risk rating				
Extreme		High	Moderate	Low
Key – Trend		Increasing	Decreasing	Static
#	Risk Statement	Inherent Rating	Residual Rating	Trend
012	Non-compliance with Health and Safety at Work Act 2015	20	20	
252	Marsden Maritime Holdings (MMH) Investment – Capital raising risk	25	20	
080	Changes in legislation and central government policy impacting council’s resources, budgets, and activities.	25	20	
014	Cyber security attack	20	16	
136	Capability and operational capacity to manage events and directives	20	16	
230	Climate change response	20	16	
246	Recruitment and retention of all roles staff	20	16	
221	Workload	20	15	
015	Core IT applications/system are not designed and/or implemented to support all organisational processes, or applications will stop working	20	15	
229	Management of data and information assets	16	12	
237	Enterprise project	15	12	
131	Treaty Settlements	16	12	
245	Failure to prepare for the future of local government review/reforms and its impacts	15	12	
100	Procurement	12	9	

Table 2. Risks changes, additions, and updates

Key				
Increased rating		Static rating	Decreased rating	New specific risk
Status	Description	Commentary		
	Marsden Maritime Holdings (MMH) investment – capital raising risk	Marsden Maritime Holdings Ltd (MMH) have signalled at a recent shareholder meeting of its intention to commence work on capital raising for growth		

		<p>Dependant on the capital raising scenarios (in terms of quantum, timing, and implementation), there is a risk that NRC may not be able to respond to the capital raising to maintain its majority shareholding in MMH</p>
	<p>Oil Spill risk Whangarei Harbour due to a lack of personnel capacity, capability and planning by Channel Infrastructure.</p>	<p>Identification of the risk following changes in operations at the Refinery. This may result in risk to the environment and damage to Council reputation. Inherent risk is (9), residual risk low (4) once identified mitigations are all in place. Mitigations include:</p> <ul style="list-style-type: none"> • Training of personnel: Done - MOU in place with NorthTugz covering manning of ORV. Tier 1 plan being managed by MNZ. Valid at present. • Settling Pond plan in place following abatement notice. • Implementation planned. (These are being monitored by compliance team.) • Channel Infrastructure have started the work to desludge the stormwater basin pond. In preparation to remove the sludge, sample were collected two weeks ago for analysis, and pipes will be laid and geobag location lined in preparation for desludging operations in the coming weeks. NRC agreed to a deadline of 30 April 2023 to complete the work.
	<p>Non-compliance with Health and Safety at Work Act 2015</p>	<p>Inherent and residual likelihood have remained static even though we have:</p> <ul style="list-style-type: none"> • Recruited a Health and Safety Advisor – commencing October 2022 • Planned an external audit of our Health and Safety systems. This will be performed once the Health and Safety Advisor has commenced • Have an increase in reported incidents and non-compliance (refer Health and Safety report)
	<p>Changes in legislation and central Government policy impacting council's resources, budgets, and activities.</p>	<p>Inherent and residual likelihood have remained static. As identified in the deep dive into this risk reported in June 2022, we have commenced the investigation into the Complywith solution for identification and management of legal compliance risk including:</p> <ul style="list-style-type: none"> • information about changes in legislation and policy,

		<ul style="list-style-type: none"> getting clarity that obligations are complied with, and controls identified and managed
	Cyber security attack.	Inherent and residual likelihood have remained static. An independent assessment was undertaken in late August. An action plan has been developed and will be progressed based on priority as time and resources allow
	Conflict of Interest	Inherent and residual likelihood have remained static even though we have developed a Grant Funding policy that addresses conflict of interest in the work activity
	Investment portfolio financial risk	Inherent and residual likelihood have remained static even though: <ul style="list-style-type: none"> We have put \$305K to the Opex reserve to cover potential shortfall in the Investment and Growth Reserve funding due to the potential for lower than budgeted dividend return. Further potential diversification of the portfolio through investments made via the regional Projects Reserve also reduces our exposure to market volatility and risk
	Workload	Inherent and residual likelihood have remained static even though we have: <ul style="list-style-type: none"> reduced workshops and the frequency of reporting, Managers are endeavouring to support workloads, and Recognised the impacts of the Enterprise Project implementation and have endeavoured to resource this.
	Climate Change response	Inherent and residual likelihood have remained static given the potential impacts of climate change on council's operations. The climate change risks will be fully reviewed as the team embed into their roles and climate change response strategies and activities are implemented
	Recruitment and retention of all roles	Inherent and residual likelihood have remained static, but we acknowledge there more work to do as we still have high turnover and several vacancies and have a plan in place to further mitigate this.
	Management of data and information assets	Inherent and residual likelihood have remained static, but we acknowledge that there is work to be completed to advance the information maturity assessment. An action plan has been developed and will be progressed based on priority as time and resources allow

	Core IT applications are not designed and/or implemented to support all organisational processes, or applications will stop working	Inherent and residual likelihood have remained static. A deep dive into this risk has been performed - see separate agenda item 3.0
	Capability and operation capacity to manage events and directives; and Organisational culture	Inherent and residual risk have remained static, but we acknowledge: <ul style="list-style-type: none"> • increased staff turnover and record levels of new roles. • Staff skills and capability • Flexible working arrangements and the hybrid culture • Resourcing issues and • Workload levels
	Enterprise Project	Inherent and residual risk have remained static, but we acknowledge the impact of the project on workloads and resources. This risk is the subject of a deep dive – see separate agenda item 3.0
	Failure to respond to Covid-19 impact	Inherent and residual likelihood decrease from frequent too often and Inherent consequences decreased from severe to moderate and residual consequence decreased from moderate to minor to reflect the changed environment regarding Covid and the implementation of the: <ul style="list-style-type: none"> • Covid Business Continuity planning and actions • covid recovery plan
	Failure to prepare for the future of local government review/reforms and its impacts	Inherent and residual consequences decrease from major to moderate as we have engaged in the policy position discussions with central government

Deep Dives

The Corporate Strategy Team facilitates risk owners to provide deep dives into each corporate risk in accordance with the following schedule (**Table 3**), initially focussing on the corporate risk with the highest pre-controls risk rating or where specifically requested due to increasing risk ratings.

Table 3. Risk deep dive schedule.

#	Corporate Risk	February 2023	May 2023	August 2023
8	Core IT applications/systems are not designed and/or implemented to support all organisational processes	√		
9	Enterprise Project	√		
10	Policies and protocols not clearly documented and followed.		√	

11	Climate change			√
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Response to COVID-19

Regular monitoring of case numbers across the region and within council is being carried out, with communication to staff as required. Covid business continuity plans are in place and the Covid Recovery Plan is being implemented with significant focus on supporting the mental and physical well-being of staff throughout this time.

Attachments/Ngā tapirihanga

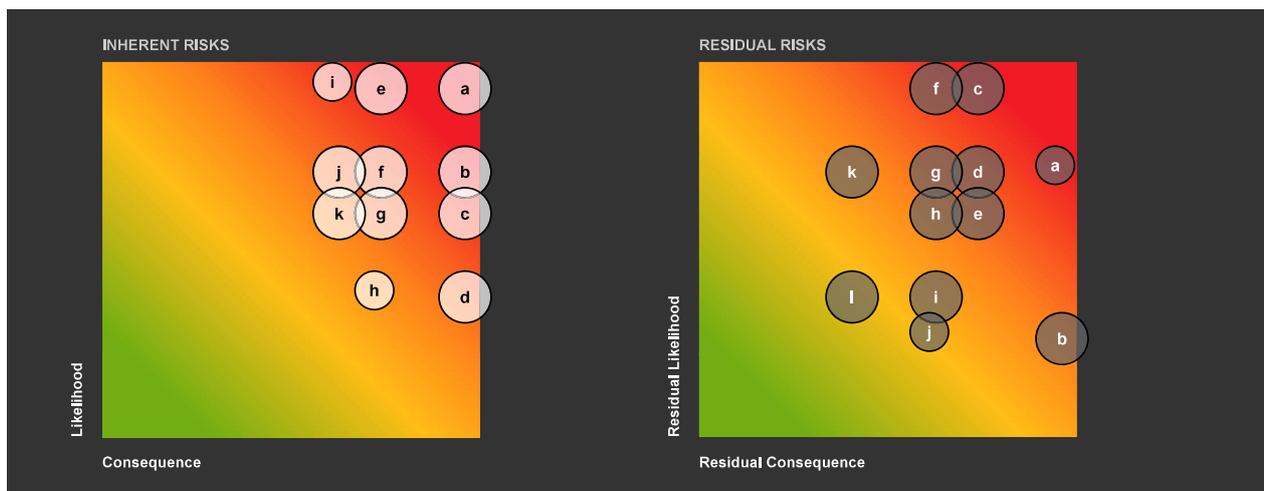
Attachment 1: Summary of Corporate Risks February 2023 [↓](#) 

Attachment 2: KMR Risk Register - Sept 2022 [↓](#) 

Top 10 Risk Scores

Portfolio(s): Corporate Risk Register

NOTE: More than 10 risks are listed as their residual scores rank within the top 10 scores.



1. Non compliance with Health and Safety at Work Act 2015

(b) There is a risk that council does not provide a safe and health work environment for staff, contractors or visitor events that may result in loss of life or permanent disability therefore not complying with Health and Safety at Work Act 2015

(a) Corporate Risk Register, Corporate Risk, Health and Safety, NRC - Whole Organisation

Owner: Bruce Howse

RESIDUAL
20.0
EXTREME

INHERENT
20.0
EXTREME

2. Marsden Maritime Holdings (MMH) Investment – Capital raising risk

(a) There is a risk that we may not be able to respond if Marsden Maritime Holdings Limited (MMH) proceeds with the signaled capital raising for growth intention. Dependent on the capital raising scenarios (in terms of quantum, timing, and implementation), there is a risk that NRC may not be able to respond to maintain its majority shareholding in MMH.

(c) Corporate Risk Register, Financial, NRC - Whole Organisation, Reputation, Service Delivery

Owner: Bruce Howse

RESIDUAL
20.0
EXTREME

INHERENT
25.0
EXTREME

3. Changes in legislation & central Government policy impacting council's resources, budgets and activities.

(a) There is a risk to NRC that legislation & central government policy could change, which can potentially impact Council's resources, budgets and operational activities. These changes can cause significant costs to council and ratepayers.

(c) Corporate Risk Register, Corporate Risk, Environmental Services, Financial, NRC - Whole Organisation, Reputation, Service Delivery

Owner: Bruce Howse

RESIDUAL
20.0
EXTREME

INHERENT
25.0
EXTREME

4. Cyber security attack

(e) There is a risk of cyber security attack causing disruption to Council systems and possible loss of data

(d) Corporate Risk Register, Corporate Risk, Corporate Services, Financial, NRC - Whole Organisation, Reputation, Service Delivery

Owner: Bruce Howse

RESIDUAL
16.0
EXTREME

INHERENT
20.0
EXTREME

5. Capability and operational capacity to manage events and directives

(e) There is a risk that Northland Regional Council does not possess the capability and operational capacity necessary to provide the required response to events (including natural hazard, pollution, biosecurity, emergency events, pandemics and other business interruptions or Government direction) that may result in us being unable to deliver our LTP activities and services.

(d) Corporate Risk Register, Corporate Risk, Finance, NRC - Whole Organisation, Reputation, Service Delivery

Owner: Bruce Howse

RESIDUAL
16.0
EXTREME

INHERENT
20.0
EXTREME

6. Climate change response

- (b) There is a risk that Council does not manage the risks associated with climate change adequately resulting in the community being compromised and impacting on council's infrastructure
 - (d) Corporate Risk Register, Climate Change, Community Resilience, NRC - Whole Organisation
- Owner:Victoria Harwood

RESIDUAL
16.0
EXTREME

INHERENT
20.0
EXTREME

7. Recruitment and retention of all roles

- (e) There is a risk of not being able to retain and recruit for all roles in the current competitive markets and within the available budgets
 - (d) Corporate Risk Register, Corporate Risk, Corporate Services, NRC - Whole Organisation
- Owner:Bruce Howse

RESIDUAL
16.0
EXTREME

INHERENT
20.0
EXTREME

8. Workload

- (e) There is a risk that external and internal events are impacting on the workload/s of our people, which is resulting in our people feeling the pressure.
 - (f) Corporate Risk Register, Corporate Services, Health and Safety, NRC - Whole Organisation
- Owner:Bruce Howse

RESIDUAL
15.0
EXTREME

INHERENT
20.0
EXTREME

9. Core IT applications/systems are not designed and/or implemented to support all organisational processes, or applications will stop working

- (f) There is a risk that our core IT applications/systems are not designed and/or implemented to support all organisational processes as an integrated single solution. There are gaps in our core systems such as People & Capability, Enterprise Assets, Customer Relationship Management, Contract, Project and Risk Management, Legislative compliance, Current systems are unable to support organisational needs and we cannot deliver the tools that are required by staff to support them in delivering the LTP activities. Some systems/applications could stop working and vendors will cease support as they are end of life resulting in productivity and security issues. Systems will break if nothing is done.
- Corporate Risk Register, Corporate Risk, Financial, NRC - Whole Organisation, Reputation, Service Delivery
- Owner:Bruce Howse

RESIDUAL
15.0
EXTREME

INHERENT
20.0
EXTREME

10. Management of data and information assets

- (f) There is a risk that our data and information assets are not adequately managed and therefore not easily discoverable or protected
 - (e) Corporate Risk Register, Legislative, NRC - Whole Organisation, Service Delivery
- Owner:Bruce Howse

RESIDUAL
12.0
HIGH

INHERENT
16.0
EXTREME

11. Enterprise Project

- (c) There is a risk that the Enterprise Project does not deliver on time and quality which will impact councils' resources
 - (e) Corporate Risk Register, Corporate Risk, Financial, NRC - Whole Organisation, Service Delivery
- Owner:Bruce Howse

RESIDUAL
12.0
HIGH

INHERENT
15.0
EXTREME

12. Treaty Settlements

- (f) There is a risk that Northland Treaty settlements will result in take-on costs for NRC
 - (g) Corporate Risk Register, Corporate Risk, Financial, Governance and Engagement, Service Delivery
- Owner:Auricle Ruka

RESIDUAL
12.0
HIGH

INHERENT
16.0
EXTREME

13. Failure to prepare for future of local government review/reforms and its impacts

- (i) There is a risk that if Council fails to adequately understand and/or prepare for the impacts of the future of local government review and reforms then there will be adverse impacts on the organisation, reputation and potential negative impacts on community wellbeing.
 - (g) Corporate Risk Register, Corporate Risk, Environmental Services, NRC - Whole Organisation
- Owner:Ruben Wylie

RESIDUAL
12.0
HIGH

INHERENT
15.0
EXTREME

14. Procurement

- (g)** There is a risk that council fails to comply with best practice procurement activity as a result of:
- Not following AOG guidance
 - Not following policy and procedures

(h)

- This may result in:
- Sub-optimal procurement decisions
 - Legal challenge
 - Risk of fraud

Corporate Risk Register, Corporate Risk, Financial, Legislative, NRC - Whole Organisation, Reputation, Service Delivery

Owner: Bruce Howse

RESIDUAL
9.0
HIGH

INHERENT
12.0
HIGH

15. Investment portfolio financial risk

- (c)** There is a risk councils investment performance will be impacted by:

(h)

- financial Investment market volatility
- Marsden Maritime Holdings dividend diversion
- Falling rates, fees and charges in economic recession
- Dependency on commercial returns in volatile time, resulting in revenue and service delivery being impacted.

Corporate Risk Register, Corporate Risk, Corporate Services, Financial, NRC - Whole Organisation

Owner: Bruce Howse

RESIDUAL
9.0
HIGH

INHERENT
15.0
EXTREME

16. Policies and protocols not clearly documented and followed

- (f)** There is a risk that all policies and protocols are not clearly documented and consistently followed

(h)

Corporate Risk Register, NRC - Whole Organisation, Service Delivery

Owner: Bruce Howse

RESIDUAL
9.0
HIGH

INHERENT
16.0
EXTREME

17. Failure to respond to COVID-19 Impact

- (j)** There is a risk to Council that if we fail to adequately respond and recover from the ongoing impacts of COVID-19 then there will be a negative impact on the organisation and our ability to deliver our levels of service

(k)

Corporate Risk Register, Corporate Risk, NRC - Whole Organisation

Owner: Bruce Howse

RESIDUAL
8.0
HIGH

INHERENT
12.0
HIGH

18. Organisational culture

- (j)** There is a risk of service inefficiencies caused by not embedding the organisational culture which may result in:

(k)

- double up activities
- not the best solution implemented
- adverse effects on other departments

Corporate Risk Register, Corporate Risk, Financial, NRC - Whole Organisation, Reputation, Service Delivery

Owner: Auriole Ruka

RESIDUAL
8.0
HIGH

INHERENT
12.0
HIGH

19. Contingent Liabilities

- (k)** There is a potential risk to Council regarding contingent liabilities that are outside of our direct control and potential may result in costs, with no chance of recovery.

(i)

Corporate Risk Register, Financial, Group Risk, Regulatory Services, Reputation, Service Delivery

Owner: Colin Dall

RESIDUAL
6.0
MODERATE

INHERENT
9.0
HIGH

20. Council Changes at local body elections

- (h)** There is a risk that the local body elections may change the composition of councillors

(i)

Corporate Risk Register, NRC - Whole Organisation

Owner: Auriole Ruka

RESIDUAL
6.0
MODERATE

INHERENT
8.0
HIGH

21. Council decision and directions

- (g)** There is a risk that council make a decision that changes Council's direction. This may result in activity resources (\$'s, people, etc.) having to be redirected or in a challenge to that decision.

(i)

Corporate Risk Register, Corporate Risk, Governance and Engagement, Legislative, NRC - Whole Organisation, Reputation

Owner: Auriole Ruka

RESIDUAL
6.0
MODERATE

INHERENT
12.0
HIGH

22. Out of date Health and Safety Processes

- (b) There is a risk incorrect health and safety process is followed, due to out of date process maps and lack of knowledge around what the out of date processes are, that may result in injury and/or breach of legislation.
- (i) Corporate Risk Register, Health and Safety
Owner:Tamsin Sutherland

RESIDUAL
6.0
MODERATE

INHERENT
20.0
EXTREME

23. Fraud Corruption and Dishonesty

- (d) There is a risk that NRC does not mitigate exposure to fraudulent, corrupt or dishonest activities that may result in negative multi-media coverage requiring significant additional work to repair stakeholder confidence.
- (b) Corporate Risk Register, Corporate Risk, Financial, Legislative, NRC - Whole Organisation, Reputation, Service Delivery
Owner:Bruce Howse

RESIDUAL
5.0
MODERATE

INHERENT
10.0
HIGH

24. Maritime operational risks: ship grounding/ collision, major shipping incident and failure of system

- (d) There is a risk of a maritime incident (including a ship grounding / collision or a major shipping incident) caused by an accident or system failure that may result in unlimited liability or action being brought against NRC .
- (b) Corporate Risk Register, Community Resilience, Corporate Risk, Financial, Group Risk, Health and Safety, Service Delivery
Owner:Victoria Harwood

RESIDUAL
5.0
MODERATE

INHERENT
10.0
HIGH

25. Access issues to field sites

- (c) There is a risk that landowners might not allow access across private land to field sites.
- (i) Corporate Risk Register, Group Risk, Regulatory Services, Service Delivery
Owner:Ruben Wylie

RESIDUAL
4.0
MODERATE

INHERENT
15.0
EXTREME

26. Oil Spill Whangarei Harbour response capability

- (k) There is a risk that an oil spill may occur in the Whangarei Harbour caused by a lack of personnel, capacity, capability and planning by Channel Infrastructure. This may result in risk to the environment and damage Council's reputation.
- (i) Corporate Risk Register, Corporate Risk, Group Risk, Reputation
Owner:Victoria Harwood

RESIDUAL
4.0
MODERATE

INHERENT
9.0
HIGH

27. Legal risk

- (d) There is a risk that NRC does not comply with legislation that may result in a breach of legislation that cannot be resolved internally and may rise to a judicial review or action and potentially penalties.
- (j) Corporate Risk Register, Corporate Risk, Financial, Legislative, NRC - Whole Organisation, Service Delivery
Owner:Bruce Howse

RESIDUAL
3.0
LOW

INHERENT
10.0
HIGH

Attachment 1: Risk Register (September 2022)

Risk type	Risk # and description	Unmitigated risk (Likelihood)	Current or <i>Planned</i> mitigations	Residual risk (Likelihood)
Strategic risks				
Changing operating environment	R1 - Political or investor support for KMR wanes	Low	Communications & Engagement Strategy implementation <ul style="list-style-type: none"> Proactive communication of Year 2 results Programme of proactive senior-level engagement by Pou Tātaki Invitation to Ministers of 2-year anniversary of MOU signing (boat trip) Development and provision of KMR Case Studies to MfE and Ministers Keynote presentations at influencing fora (Wai Ora, E350, Catchment Forum, NZARM) <i>Application for Taituarā Award for KMR</i> 	Low
	R2 – New or delayed policy settings including Freshwater Farm Plan regulations reduce the incentive to take up KMR services	Moderate ↑	Communications & Engagement Strategy implementation <ul style="list-style-type: none"> Ongoing Landowner Grant/Whenua Whānui Fund engagement ahead of regulations Ongoing quarterly KMR Partnership Forums to signal opportunity and drive uptake Dedicated sector engagements (Fonterra, <i>Beef + Lamb NZ</i>) to signal opportunity and drive uptake Rolling media articles, social media, winter campaign & <i>summer campaign</i> <i>Communications specifically highlight how KMR can help landowners meet regulatory obligations</i> Strategic partnerships with landowner-facing organisations <ul style="list-style-type: none"> Partnership contracts (Fonterra, Forest Bridge Trust, Environs, <i>Beef + Lamb NZ</i>) deliver KMR Plans Policy settings <ul style="list-style-type: none"> KMR grants provide 50% of costs to comply with or take action beyond stock exclusion rules <i>Transition from free KMR Sediment Reduction Plan to free compliant KMR Freshwater Farm Plans</i> KMR’s Mātai Onekura (Farm Planning) tool will comply with Freshwater Farm Plan requirements Engagement with MfE to understand new regulations, and ensure KMR is compliant ahead of them 	Moderate ↑
	R3 - Economic downturn reduces uptake of KMR grants and slows works	High ↑	Communications & Engagement Strategy implementation <ul style="list-style-type: none"> As above Sponsorships / Partnerships <ul style="list-style-type: none"> Trees That Count (free trees) and Waka Kotahi opportunity (Auckland region, fencing/planting) <i>QEII partnership opportunity (fencing), and other opportunities in development</i> Policy settings <ul style="list-style-type: none"> Review of KMR pricing and Field Advisor contracts <i>Implementing agreed up-front payments for Whenua Whānui Fund projects</i> <i>Soil Conservation Strategy development in train to agree wider project works and improve uptake</i> <i>Finder’s Fee and review of grant criteria (% co funding) to grow landowner pipeline and improve uptake</i> Opportunities (3rd party revenue streams in support of KMR landowners) <ul style="list-style-type: none"> Working with Ākina Foundation, MfE and Beca to prepare KMR for impact investment Impact investment pilots for Blue Carbon and Biodiversity Focus Areas (Auckland) 	Moderate

Risk type	Risk # and description	Unmitigated risk (Likelihood)	Current or <i>Planned</i> mitigations	Residual risk (Likelihood)
Reputational risks				
KMR delivery does not meet expectations	R4 - KMR is slow to make funding available, and/or the quality of services is poor	Moderate ↓	Accelerating programme delivery <ul style="list-style-type: none"> Maurikura fully inducted and operational (6 months), with ongoing contractor support Accreditation of nurseries and contractors complete Core operational policies and procedures complete Systematic KMR Landowner Grants and Whenua Whānui Grants engagement & roll-out KMR work programme developed and project management rolling out Winter (Foundation) Planting campaign; <i>Summer (Site preparation/fencing) campaign</i> Rephasing <ul style="list-style-type: none"> Discussions in train with MfE re contract variation (to refresh delivery expectations) Ensuring quality delivery <ul style="list-style-type: none"> External Sediment Peer Review Panel operational Regular Field Advisor training, refresher courses and mentoring support <i>Partnership with NZARM to both assure and deepen the quality-of-service provision</i> <i>Assurance programme</i> 	Moderate
	R5 COVID-19, other sickness & labour market delays affect KMR engagement and delivery	Moderate ↓	<ul style="list-style-type: none"> NRC COVID-19, Work from Home, and Flexitime Policies Early engagement with MfE, partners and stakeholders on any delays Change in operating model to 'work through' partner agencies to spread risk (c.f. R2) 'Ordering-ahead' operational processes now in place for nurseries <i>More detailed forward projections of KMR project works once Digital Tools are in place</i> 	Low ↓
	R6 – New information shows that current KMR approaches won't achieve the desired outcomes and/or will cost more	Moderate (new risk)	Rephasing <ul style="list-style-type: none"> Discussions in train with MfE to vary contract timeframes (i.e., to refresh delivery expectations) Improving assumptions & reviewing KMR policy settings as needed <ul style="list-style-type: none"> Regular review of KMR pricing <i>Soil Conservation Strategy will test and expand remediation (mitigation) options</i> <i>KMR to re-run models with real data for remediation works, costs, and outcomes</i> <i>KMR to explore revisions to KMR policy settings if evidence demonstrates barriers</i> <i>KMR to develop more targeted investment across the catchment as Digital Tools allow</i> 	Moderate (n/a)
KMR brought into disrepute	R7 - KMR staff or contractors improperly use KMR funding or other resources	Low	<ul style="list-style-type: none"> NRC financial controls/audits including fraud controls/audits and procurement policy NRC staff vetting processes, including police checks NRC Conflict of Interest (COI) management controls; Joint Committee COI process KMR accreditation, operating procedures and QA processes KMR contract and grant management processes 	Low

Risk type	Risk # and description	Unmitigated risk (Likelihood)	Current or <i>Planned</i> mitigations	Residual risk (Likelihood)
Relational risks				
KMR partnerships are not honoured	R8 – KMR fails to demonstrate the intent of the founding MOU	Low	MOU is operationalised through governance settings <ul style="list-style-type: none"> Joint Committee papers provide comment on alignment to MOU investment objectives All KMR Joint Committee Hui are open to all-comers to attend Joint Committee meetings proposed to resume in person / on marae (November 2022) Plain English summary of each Hui for use by Joint Committee members and Iwi CEOs MOU is operationalised through operational settings <ul style="list-style-type: none"> Any KMR roles for advertisement are sent to Kaipara Uri Joint Committee members and CEOs for communication through relevant networks All KMR opportunities (e.g., to identify land blocks for pilots) are sent to Kaipara Uri Joint Committee members and CEOs for communication through relevant networks Partnership contracts support Kaipara Uri aspirations in line with MOU (re SRP delivery; kaitiaki coordinators; growing nursery capability). 6-monthly internal reporting to provide overview of iwi/hapū affiliation in programme 	Low
	R9 - KMR fails to engage fully with non-Kaipara Uri tangata whenua and/or Treaty Settlement processes inadvertently affect KMR engagement	Moderate	Engagement programme <ul style="list-style-type: none"> Dedicated Maurikura position to lead this engagement (Mana Whenua Relations Lead) Wide engagement programme in train (see last Joint Committee report in August) Non-Kaipara Uri leaders in the catchment receive KMR Pānui and invites to Partnership Forum Equitable access to current opportunities <ul style="list-style-type: none"> All KMR training and accreditation are open to all-comers across the catchment Whenua Whānui Scheme funding is open to all catchment, marae, and iwi/hapū groups KMR works with local tangata whenua leaders to support training & activities Equitable access to development opportunities <ul style="list-style-type: none"> Partnerships aim to support Kaipara Uri and other groups (e.g., satellite nurseries) Kaitiaki Workforce Coordinator contract aims to support Kaipara Uri and other groups <i>Establishment of Catchment Reference Groups to coordinate local remediation projects</i> 	Moderate
Wellbeing, safety and health risks				
Avoidable harms or deaths	R10 - H&S risks to staff, partners, contractors, sub-contractors and communities are not adequately managed	Moderate ↓	<ul style="list-style-type: none"> NRC Health & Safety Policies and SOPs, including for contractors and sub-contractors KMR subcontractor accreditation processes and operating protocols KMR Health & Safety training for Field Advisors KMR H&S and Code of Conduct policy for Field Advisors KMR recommends SiteWise accreditation for nurseries <i>Health and Safety audit</i> 	Low ↓

Attachment 2: Overall Risk Score (Matrix Assessment) (September 2022)

	Impact		
Likelihood	Low	Moderate	High
High	Moderate	High	High
Moderate	Low	Moderate #2 #3 #4 #6 #9	High
Low	Low #7	Low #5 #1 #8 #10	Moderate

Risk #	Risk Name	Residual Risk	Risk #	Risk Name	Residual Risk
#1	Political or Investor Support wanes	Low	#6	Current approach won't achieve outcomes	Moderate
#2	New or delayed policy reduces uptake	Moderate	#7	Staff or contractors improperly use resources	Low
#3	Economic downturn reduces uptake	Moderate	#8	KMR fails to demonstrate intent of MOU	Low
#4	KMR is slow to make funding available	Moderate	#9	KMR Fails to engage / Treaty processes affected	Moderate
#5	Covid -19, Illness and Labour Market	Low	#10	H&S Risks are not adequately managed	Low

TITLE: Risk Deep Dives

From: Kym Ace, Corporate Systems Champion

Authorised by Group Manager/s: Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 14 February 2023

Whakarāpopototanga / Executive summary

This report presents deep dives into the risks:

- Core IT applications and systems not designed and or implemented to support all organisational processes, or applications will stop working; and
- Enterprise Project.

The inherent and residual rating of these risks are:

Risk	Inherent risk Rating	Residual Risk Rating
Core IT applications and systems	Extreme	Extreme
Enterprise Project	Extreme	High

The causes, treatments and recommendation for these risks are detailed in the below analysis.

Ngā mahi tūtohutia / Recommendation

That the report ‘Risk Deep Dives’ by Kym Ace, Corporate Systems Champion and dated 3 February 2023, be received.

Background/Tuhinga

Risk	<p>Core IT applications/systems are not designed and/or implemented to support all organisational processes, or applications will stop working</p> <p>R00015</p> <p>There is a risk that our core IT applications/systems are not designed and/or implemented to support all organisational processes as an integrated single solution. There are gaps in our core systems such as people & capability, enterprise assets, customer relationship management, contract, project & risk management, and legislative compliance. Current systems are unable to support organisational needs and we cannot deliver the tools that are required by staff to support them in delivering the LTP activities. Some systems/applications could stop working and vendors will cease support as they are end of life resulting in productivity and security issues. Systems will break if nothing is done</p>		
<p>Inherent Risk Score: <i>Unmitigated</i></p>	<p>Likelihood: 5 (Frequent)</p>	<p>Consequence: 4 (Major)</p>	<p>Inherent Risk: 20 Extreme</p>

<p>Underlying Causes (threats):</p> <p><i>How do you see these causes now – have they changed are there new causes?</i></p>	<ol style="list-style-type: none"> 1. There are gaps in our core systems such as people & capability, enterprise assets, customer relationship management, and contract and project management. 2. Some systems/applications are coming to end of life and vendors will cease to support these. 3. Many people work outside of system or have their own systems and files to support business processes 4. Creates risk for the organisation with data being inaccurate and places high stress on staff having to gather data from multiple places and process manually. 		
<p>Current treatments:</p> <p><i>Are you assured that these treatments are effective, sustainable and evidenced?</i></p> <p><i>Would you do more, or is the risk reduced</i></p>	<ol style="list-style-type: none"> 1. Enterprise system project delivered as per the project plan, meeting all the identified requirements, and mitigation of identified risks. 2. Ensure our current systems/application are updated to current releases/versions. 3. IRIS replacement – IRIS Next Gen Project advanced through RSHL. Ensure active participation in this project. 4. Determine and agree the CRM system to be used throughout the organisation to provide a single set of customer data. 5. Identify and develop the business case for a contract, project and risk management, Health and Safety and Risk management specific systems. 6. Alternative interim solutions considered and assessed based on critical needs. 7. Ensure participation in sector (SIG) activities and initiatives meets/aligns with our needs and the work programme delivers the expected outcomes. 		
<p>Recommendations of Management/Planned Treatments</p> <p><i>If more needs to be done, what do you suggest – and what are the limitations or constraints</i></p>	<p>Recommendations include:</p> <ol style="list-style-type: none"> 1. Continue to monitor and review as necessary. 2. Develop business case for components not delivered by Enterprise or IRIS NG. 3. Agree the CRM of choice (Enterprise or IRIS NG) that supports councils business outcome and ensure it is implemented as a single solution for customer information. 4. Securing and retaining appropriate project resources. 		
<p>Improvements to span of control:</p> <p><i>How will the implementation of planned treatments be effective in improving our ability to mitigate the risk?</i></p>	<p>The treatments will enable us to better manage this risk. The proposed treatments are considered the most effective available to council to address this risk.</p>		
<p>Date actions to be delivered:</p>	<p>Enterprise – as per the project plan</p> <p>IRIS NG – project plan for implementation to be developed</p> <p>Ongoing and as resources are available.</p>		
<p>Target Residual Risk Score:</p> <p><i>Assumes all mitigations in place and where we would like to get to</i></p>	<p>Likelihood: 5 (Frequent)</p>	<p>Consequence: 3 (Moderate)</p>	<p>Residual Risk: 15 Extreme</p>

<p>Risk</p>	<p>Enterprise Project</p> <p>R00237</p> <p>There is a risk that the Enterprise Project does not deliver on time and quality which will impact councils' resources</p>		
<p>Inherent Risk Score:</p> <p><i>Unmitigated</i></p>	<p>Likelihood: 3 (Likely)</p>	<p>Consequence: 5 (Severe)</p>	<p>Inherent Risk: 15 Extreme</p>
<p>Underlying Causes (threats):</p> <p><i>How do you see these causes now – have they changed are there new causes?</i></p>	<ol style="list-style-type: none"> 1. Enterprise project resources are not available (unable to be seconded) or are inappropriate (not capable) then the project timeline and work quality will be adversely impacted, and additional cost incurred 2. Enterprise system does not meet the expectations of users and/or implementation is slower than expected and/or performance is poor then the adoption of the new system will be impacted and use of the legacy or alternate systems may need to be investigated which could impact costs and timeframes 3. The organisation does not value the scale of the project, the change effort required and does not free up resources to enable users to effectively participate in the system resulting in poor uptake and utilisation. 		
<p>Current treatments:</p> <p><i>Are you assured that these treatments are effective, sustainable, and evidenced?</i></p> <p><i>Would you do more, or is the risk reduced</i></p>	<ol style="list-style-type: none"> 1. Project implementation plan developed and on track 2. Project communication plan developed and being implemented 3. Project change management plan developed and being implemented, including comm plan, change champions and ADKAR assessments, regular GM catchups and change resistance management. 4. Resource planning including setting expectations and timeframes for Process Owners, Process Leads and Subject Matter Expert, staffing levels and recruitment. 5. Re-schedule the implementation plan if required 6. Discovery workshops ensuring relevant Process Leads and Subject Matter Experts are included. 7. Good project management skills including reporting applied. 8. Enterprise systems risks are tracked (risk register) and treatments actioned 9. Project resources secured and fully committed to the project 10. Identification of change resisters and engagement plan prepared to address 11. Acknowledgment of increase work required for assets due to suboptimal management of assets and associated processes as current state. 		
<p>Recommendations of Management/Planned Treatments</p> <p><i>If more needs to be done, what do you suggest – and what are the limitations or constraints</i></p>	<p>Recommendations include:</p> <ol style="list-style-type: none"> 1. Continue to monitor and review the project plan throughout the project 2. Monitor and manage workloads of key personnel and address contention issues as they arise through prioritisation, rescheduling or additional resourcing. 		
<p>Improvements to span of control:</p> <p><i>How will the implementation of planned treatments be effective in improving our ability to mitigate the risk?</i></p>	<p>The treatments will enable us to better manage this risk. The proposed treatments are considered the most effective available to council to address this risk</p>		

Date actions to be delivered:	Ongoing and as resources are available		
Target Residual Risk Score: <i>Assumes all mitigations in place and where we would like to get to</i>	Likelihood: 3 (Likely)	Consequence: 4 (Major)	Residual Risk: 12 High

Attachments/Ngā tapirihanga

Nil

TITLE: Health & Safety report for June to December 2022

From: Tamsin Sutherland, Health and Safety Advisor and Beryl Steele, Human Resources Manager

Authorised by Bruce Howse, Pou Taumatua – Group Manager Corporate Services, on 14
Group Manager/s: February 2023

Whakarāpopototanga / Executive summary

This report is to inform the audit and risk subcommittee of the activities related to health and safety. A summary of the activities include:

- A list of the current health and safety priorities.
 - An update on the highest health and safety risks.
 - An outline of the health and safety strategy outcomes, action plans and tracking.
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Ngā mahi tūtohutia / Recommendation

That the report 'Health & Safety report for June to December 2022' by Tamsin Sutherland, Health and Safety Advisor and Beryl Steele, Human Resources Manager and dated 3 February 2023, be received.

Background/Tuhinga

1. Health and safety priorities

The key priorities in health and safety at the present time are:

- Contractor management
- Managing and monitoring staff workload, stress and mental wellbeing
- Vehicle events
- Aggressive people – either in person or on the phone
- Health and safety inductions
- Compliance with our Traffic Management Plan

2. Risk management

As of the end of December 2022, there were 90 risks listed in the NRC Health and Safety Risk Register. Table 1 below summarises the top ten risks for the organisation, identified by their 'residual risk' score. Residual risk scores are calculated after all controls have been put in place, scores are between one (low) and 25 (extreme).

Risk Updates

- There have been no changes to the top ten risks since April 2022, although the risk from Covid will diminish moving forward.
 - A potentially serious near-miss incident during contract work was brought to the attention of staff two months after the date of the event. An investigation is currently working through the reasons for the non-reporting of the incident. At the conclusion of the investigation, any improvements that can be made to the clarity of roles in contracts will be reviewed and implemented as necessary.
 - Extended workload/stress risk has been reviewed. It was identified that the controls/mitigation strategies are not working, and the the residual risk score has increased from nine to 12.
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- Dealing with aggressive people – psychological harm has been reviewed. The risk scores in the risk register are considered to be appropriate. It was noted that for teams where dealing with aggressive people is more common, there is a tendency to normalise occurrences.
- The annual stress survey was undertaken in November 2021, with the top three contributors to stress identified as excessive workload, lack of time and difficulty managing/meeting deadlines, and challenges working with NRC systems. Results were provided to the Executive Leadership Team (ELT), who have developed actions to address issues, particularly those relating to workload. These have been presented to council. This survey was due to be repeated in November 2022, but was deferred to 2023 due to workload and the Enterprise go-live.

Table 1: Top ten Health and Safety risks as at 31 December 2022

Risk	Residual risk score	Focus area for mitigation
Working with Contractors	16	This will be reviewed again as part of the February 2023 H&S audit. Internal processes are being reviewed by the Organisational Projects Specialist, the Corporate Policy Specialist and the Health and Safety Advisor. Recommendations identified in the review will be communicated to contract managers in a formal training programme in 2023.
COVID-19 pandemic	16	181 staff have required special leave provision due to Covid. As the Ministry of Health guidelines are revised, Council policy is amended to reflect this.
Extended workload/stress	12	We are providing stress and resilience courses. We are encouraging staff to discuss workload issues with their manager. We have started to do psychological safety training with staff to help with staff feeling safe to raise issues. We are trying our best to fill vacant positions as soon as possible while ensuring the quality of applicants and those employed. The Wellbeing Committee hosted a Stress and Overwhelm workshop.
Dealing with aggressive people – psychological harm	10	In addition to our standard training we are also going to provide training for dealing with people over the phone. We are implementing ‘aggressive dog’ training for all field staff. We are also looking at body worn cameras.
Workplace bullying and harassment <i>Note: This due to potential risk, not high numbers</i>	9	We have started psychological safety training and will be doing work with managers around diversity and inclusion which will include an element of bullying and harassment. This will also be rolled out to the rest of staff.
Sedentary work - working at computers and laptops (including both in the office, and at home)	8	The Wellbeing Group encourage staff to take part in various physical activities. In addition, they are working on a Digital Wellbeing policy.

Working under the influence of drugs and/or alcohol	8	The drug and alcohol policy is due for review, this will include looking at what else can be done in this area.
Slips, trips, and falls	8	A key cause of slips, trips and falls continues to be inattention. There is no key mitigation identified.
Driving motor vehicles – accident related events causing injury or other trauma	8	Speeding in excess of 10km per hour above the limit will be recorded. A policy is being created to formalise consequences for excessive speed, particularly for repeat offending.

Towing incidents

There have been two near miss trailer incidents, which caused some damage to NRC property. One incident involved wind-loads on tied down loads, and resulted in the load being lost onto the road. The other incident involved the trailer unhitching from the tow ball and being held on the safety chains only. An investigation into both incidents has identified some improvements to be made in trailer management. A Standard Operating Procedure has been drafted and is currently with managers for consultation. Suitable training has been identified for staff for 2023.

Health and safety inductions

The H&S Strategy goal was to achieve H&S induction sign off within two days of commencing work. This was not achieved when there was no H&S Advisor in post, but is now much improved. A review of the H&S induction form found it included matters that were not essential during the first two days, and resulted in information overload for new staff. The form has been revised to ensure the urgent and important parts of the H&S induction are carried out within the first two days and the other aspects signed off separately within the Team mentoring processes.

Traffic Management Plan

- Compliance with our Traffic Management Plan (TMP) has been limited in the past, due to confusion by staff as to the requirements of what work falls under the plan, e.g. for those who need to cross a road to do work on both sides. A review of the plan has been conducted. Changes to make the document more user-friendly are with the consultant for inclusion. When the amended plan is available, training for all staff who work under the plan will be provided.
- The existing plan was re-adopted in December 2022 without amendment to ensure that Council hold a TMP.
- A more applicable qualification “Traffic Inspector” has been created under The Code of Practice for Temporary Traffic Management (CoPTTM). Fifty four field staff have received the Traffic Inspector training.

Health and safety strategy work programme

In general, our health and safety work programme is behind schedule as we did not have a H&S Advisor between February and October 2022. The H&S Committee Chair and Committee and others in the organisation continued to ensure health and safety work continued, but the lack of resourcing affected the programme.

Tamsin Sutherland started as H&S Advisor in October 2022. The Health and Safety Committee will meet to review the Health and Safety Strategy, goals and action plans along with identifying priorities.

See Attachment 1 for a summary of activity undertaken for each of the strategy pillars during the financial year July 2021 – June 2022, and for the first half of this year.

Health and Safety maturity audit

In February 2023, an external auditor will be conducting a three-day audit of health and safety across the organisation. Contractor management and workplace stress will be included in the scope of this audit. The audit will provide guidance on areas for further work, as well as confirming what existing processes work well.

Attachments/Ngā tapirihanga

Attachment 1: Summary of activity undertaken for strategy pillars [↓](#) 

Health and Safety Strategy priority outcomes

The health and safety committee have outlined the following five outcomes as key priorities to begin with. Each has an action plan established.

1. The organisation's culture supports wellbeing.
2. Our leaders actively model and encourage health and safety excellence. This has been combined with all our people understanding that they are responsible for their own health and safety.
3. Work related stress and mental health factors are identified and managed.
4. Near misses and incidents are triaged as soon as possible, but within 48 hours.
5. Annual health monitoring is undertaken.

Guide to strategy reporting

Traffic light colours (green, yellow, red) are used to indicate the status of an item. The meaning of each status is defined below.

Colour	Definition of Status
	Operating to plan. Targets mostly being achieved. Work tracking to agreed timeframes
	No consistent improvement, remedial actions needed. Issues managed but not overcome
	Issues/problems. Insufficient action and/or skills, resources. Timeframes not being met

Health and safety performance towards strategy

Strategy Pillar	Operating to plan	Remedial action needed	Issues/problems	Notes
Hazards and risks	<ul style="list-style-type: none"> Generic risk assessments are being completed/approved in field teams. Health and safety representatives (H&S Reps) were trained on how to induct new staff members and undertake low risk investigations. Numerous Health and Safety training courses have been carried out. A list of which can be seen on page 4. 	<ul style="list-style-type: none"> Changes to the induction forms and review of process, 100% of new people inducted Nov 2022 to Jan 2023. Did not achieve 100% prior to this, will revisit H&S induction. Emergency procedures for regional offices need updating Mobile Take 5 forms have been developed but need streamlining and dashboard needs improving The PPE Policy and PPE Catalogue is under review. Floor inspections by H&S Reps to be undertaken quarterly did not occur when H&S Advisor not in role. Two near miss trailer incidents have highlighted a need for staff training and a standardised operating procedure 	<ul style="list-style-type: none"> Risk treatments need to be completed in Promapp. Duplicate system for the risk register (spreadsheet and Promapp) creates potential misinformation. Limited health monitoring programme undertaken in 2022. Health monitoring programme to be reviewed with managers and updated for Enterprise. 	<p>H&S Advisor role vacant from Feb-Oct 2022</p> <p>Inductions missed will be picked up by H&S Reps to ensure all staff have received induction. Induction process streamlined, only absolute must do tasks included in the first two days.</p>
Injury and illness	<ul style="list-style-type: none"> Most incidents are reported with 48 hours of occurrence. H&S Reps received training on how to undertake incident investigations. 	<ul style="list-style-type: none"> Speeding is being tracked through GPS. However informal approaches to staff have not resolved speeding. In June 2022 reduced the trigger for reporting speeding from 20km/ph over the limit to 10km/ph. Policy being drafted to formally address speeding, particularly repeat offenders. A process for H&S reps to assist in investigations was developed. Completion within a reasonable timeframe is still a work in progress. 	<ul style="list-style-type: none"> There are still incidences of workers speeding more than 20km/h over the limit. Some contractor incidents not reported in timely way 	

Strategy Pillar	Operating to plan	Remedial action needed	Issues/problems	Notes
Wellbeing	<ul style="list-style-type: none"> Wellbeing related training and activities have been carried out. The full list is on page 3. Wellbeing committees' activities are well received in the organisation. In-house resilience and stress training is being provided. A stress survey was carried out in November 2021 with actions being developed by ELT. Have reviewed areas where we can stop or delay work to help reduce workload issues. Flexible working policy has been well received, many staff using these provisions The wellbeing committee are developing a digital wellbeing policy. The HR SIG met to discuss initiatives that we can do as a sector. The wellbeing group have reviewed their strategy and action plans focusing more on activities where they can make an impact. 	<ul style="list-style-type: none"> The HR SIG to allocate actions from the wellbeing meeting. 	<ul style="list-style-type: none"> Workload and stress remain a challenge in some areas. The repeat of the stress survey in November 2022 was not completed due to workload stress and Enterprise go-live. 	
Communication and engagement	<ul style="list-style-type: none"> A review of the H&S area on express has been carried out so that it is easier to find information. H&S is a standing item on the ELT agenda. 	<ul style="list-style-type: none"> Leaders and new managers need upskilling in modelling H&S. The H&S Spotlight dropped off in the absence of a H&S Advisor but was picked back up at the end of 2022 	<ul style="list-style-type: none"> Nil 	<ul style="list-style-type: none"> The H&S committee is working on how to better engage leaders and managers in H&S.

Strategy Pillar	Operating to plan	Remedial action needed	Issues/problems	Notes
Learn and improve	<ul style="list-style-type: none"> The frequency of the Health and Safety Report has been reduced from monthly to quarterly. 	<ul style="list-style-type: none"> Incident and risk tracking (spreadsheets) cause delay in reporting and monitoring. A contractor management review highlighted areas for improvement, this remains an area of concern. Process improvements are being carried out by H&S in conjunction with Corporate Policy Specialists. When completed, the new policy will be rolled out to staff with training. It was decided to get an external audit H&S policies and processes. There are a few policies due for reviewing. In November we started the transition to enterprise. This is a work in progress. 	<ul style="list-style-type: none"> Not all contractor documentation is being filed in appropriate places – this is based on the premise that it is filed elsewhere. Unreported incident from contractor identified some lack of clarity in contract covering several work streams. Investigation ongoing. Health monitoring programme has not operated smoothly in 2022. A new contract is being sought to provide health monitoring services. 	<ul style="list-style-type: none"> An external audit is being scoped for when the H&S Advisor starts to gain insight into our systems.

Over the '21-'22 Financial year	
Health and Safety training carried out:	Wellbeing activities carried out:
<ul style="list-style-type: none"> CERT Training (Situational Awareness and Tactical Communication) Four-wheel drive Outdoor first aid Health and safety contractor management Mental health 101 Height safety awareness Kayak training Wader and water safety LUV training Emergency oxygen provider training Chemical handling and storage Fire warden Stage 1 H&S Rep 	<ul style="list-style-type: none"> Providing soup in June: not only encourages healthy eating and a bit of winter warmth but also supports the “giving” pillar of wellbeing model Focus on prioritisation and planning of work for year ahead, including digital wellbeing, physical challenges for staff, wellbeing speaker series and wellbeing training for managers Supporting the redevelopment of the Water Street courtyard as a space where staff can meet, connect and socialise Supporting admin staff to experience time in the field – build relationships, connect, get outdoors and get a better sense of belonging in terms of how they fit with the focus areas of the organisation Promoting and coordinating mental health workshops Participation and promotion of a Winter Warmer Fitness Challenge (July 2021), the Steptember challenge (September 2021), the Love to Ride Aotearoa Bike Challenge (February 2022), the Active Workplaces – Wellbeing Challenge (March/April 2022) Providing fruit in the canteen Tautoko toolkit (wellbeing resources on express for staff) 2021 Wellbeing kits for staff working over the Christmas/New Year break

	<ul style="list-style-type: none"> • Office competition for Christmas decorations • Creation of a wellbeing library • Support of Daffodil Day and Mental Health Awareness Week • Supporting Pink Shirt Day to raise awareness of bullying and support diversity and inclusion at work • Supporting Mo-vember, mental health and prostate awareness • Mental health literacy webinar in Aug 2021 • Provision of journal packs for staff • Coordination of a COVID volunteer army to support staff while they were isolating
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July 2022 to December 2022	
Health and Safety training carried out:	Wellbeing activities carried out:
<ul style="list-style-type: none"> • CERT Training (Situational Awareness and Tactical Communication) • Four-wheel drive • Outdoor first aid • Health and safety contractor management • Mental health 101 • Height safety awareness • Kayak training • Wader and water safety • Swift Water Rescue • Fire warden & emergency procedures • Stage 1 H&S Rep • Controlled substances licence • Management of Agrichemicals • Traffic Inspector • First Aid 	<ul style="list-style-type: none"> • Focus on prioritisation and planning of work for year ahead, including digital wellbeing, physical challenges for staff, wellbeing speaker series and wellbeing training for managers • Supporting the redevelopment of the Water Street courtyard as a space where staff can meet, connect and socialise • Supporting admin staff to experience time in the field – build relationships, connect, get outdoors and get a better sense of belonging in terms of how they fit with the focus areas of the organisation • Promoting and coordinating mental health workshops • Participation and promotion of the September challenge (September 2022), the Love to Ride Aotearoa Bike Challenge (February 2023), the Hatea Loop colour run (February 2023) • Providing fruit in the canteen • Wellbeing kits for staff working over the Christmas/New Year break • Office competition for Christmas decorations • Creation of a wellbeing library • Supporting Mo-vember, mental health and prostate awareness • Investigating service provision by wellbeing services

TITLE: Business with the Public Excluded

Whakarāpopototanga / Executive Summary

The purpose of this report is to recommend that the public be excluded from the proceedings of this meeting to consider the confidential matters detailed below for the reasons given.

Ngā mahi tūtohutia / Recommendations

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reasons/Grounds
5.1	For Noting Only: Confidential Minutes Audit and Risk Sub-committee - 29 June 2022	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting -.
5.2	Human Resources Update	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(a).
5.3	Audit of Investment Property Procedures and Management	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii) and the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h).
5.4	Cyber Security update	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii) and the withholding of which is necessary to prevent the disclosure or use of official information for improper gain or improper advantage s7(2)(j).

3. That the Independent Financial Advisors be permitted to stay during business with the public excluded.
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Considerations

1. Options

Not applicable. This is an administrative procedure.

2. Significance and Engagement

This is a procedural matter required by law. Hence when assessed against council policy is deemed to be of low significance.

3. Policy and Legislative Compliance

The report complies with the provisions to exclude the public from the whole or any part of the proceedings of any meeting as detailed in sections 47 and 48 of the Local Government Official Information Act 1987.

4. Other Considerations

Being a purely administrative matter; Community Views, Māori Impact Statement, Financial Implications, and Implementation Issues are not applicable.