

Audit and Risk Committee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 19 August 2025, commencing at 9:30 am

Tuhinga/Present:

Committee Chair and Independent Tagata Whenua Member, George Riley
Councillor Peter-Lucas Jones - *online*
Councillor John Blackwell
Councillor Jack Craw - *online*
Councillor Joe Carr - *online*
Ex-Officio Geoff Crawford (Ex-Officio)
Independent Tangata Whenua Member Dee-Ann Wolferstan - *online*

I Tae Mai/In Attendance:

Full Meeting

Tāhūhū Rangapū – Chief Executive, Jonathan Gibbard
Pou Taumatua - GM Corporate Services, Bruce Howse
Pou Whakaritenga – GM Regulatory Services, Colin Dall
Corporate Strategy Manager, Kyla Carlier
Information Services and Technology Manager, Carol Cottam
Audit and Assurance Lead, Mandy Tepania

Part Meeting

Pou Tiaki Hapori - GM Community Resilience, Louisa Gritt
Legal Counsel, Kathryn Candy

The Chair declared the meeting open at 9.29am and commenced the proceedings with a karakia.

Ngā Mahi Whakapai/Housekeeping (Item 1.0)

Ngā whakapahā/Apologies (Item 2.0)

There were no apologies.

Secretarial Note: Steve Watene was expected to dial into the meeting.

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.

Confirmation of Minutes - 20 May 2025 (Item 4.1)

Report from Margaret Knight, PA to Group Manager Corporate Services

Moved (Jones/Craw)

That the minutes of the Audit and Risk Committee meeting held on 20 May 2025 be confirmed as a true and correct record and that these be duly authenticated with the Chair's electronic signature.

Carried

Receipt of Action Sheet (Item 5.1)

Report from Margaret Knight, PA to Group Manager Corporate Services

Moved (Blackwell/Jones)

That the action sheet be received.

Carried

Deloitte presentation on fraud detection/data analytics programme (Item 6.1)

Report from Simon Crabb, Finance Manager

Secretarial Note: Deloitte's Amy Dove and Dominic Salmon joined the meeting at 9.35am and presented to the committee on the progress of council's fraud detection and data analytics programme.

Internal Audit Schedule (Item 6.2)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Crawford/Blackwell)

That the report 'Internal Audit Schedule' by Mandy Tepania, Audit and Assurance Lead and dated 5 August 2025, be received.

Carried

Secretarial Note:

- *The GM Corporate Services provided further clarification on the contract management audit. It was noted that SharePoint is primarily intended for document storage and is not suitable as a system for managing NRC contracts. As a result, alternative solutions are being explored. GM Corporate Services to follow up with Deloitte to determine whether they can recommend a system that would simplify contract auditing for NRC.*

Risk Management Policy Update (Item 6.3)

Report from Kyla Carlier, Corporate Strategy Manager and Mandy Tepania, Audit and Assurance Lead

Moved (Wolferstan/Jones)

1. That the report 'Risk Management Policy Update' by Kyla Carlier, Corporate Strategy Manager and Mandy Tepania, Audit and Assurance Lead and dated 6 August 2025, be received.
2. That the committee recommends to council the approval of the updated Risk Management Policy, as included as attachment 1 and 2 – Draft Risk Management Policy

Carried

Secretarial Note:

- *The policy was endorsed based on an action to add in Objectives bullet point 8 - "meet or exceed New Zealand and international best practice standards" and include a link to the NZ Auditor General contract management website.*

Action:

1. Corporate Strategy Manager to include as part of the 'Relevant Key Documents' link to the NZ Auditor General contract management website before going to council for adoption.

Risk Management Activity Update August 2025 (Item 6.4)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Craw/Crawford)

That the report 'Risk Management Activity Update August 2025' by Mandy Tepania, Audit and Assurance Lead and dated 5 August 2025, be received.

Carried

Secretarial note:

- *GM Corporate Services to follow up with the Health and Safety team regarding procedures for managing aggressive individuals and mitigating psychological harm. This includes reviewing whether current controls – such as training and having two officers present during interactions with flagged individuals – are sufficient. The aim is to assess whether our processes would withstand scrutiny from agencies like ACC to legal review.*
- *A number of additional risks were raised i.e. Madagascar Ragwort and conversion of farmland into carbon sinks which had an economic impact on Northland. Management are working collective with a consortium of interested parties to look at a solution for controlling Madagascar Ragwort. GM Corporate Services to review with GM Biosecurity the scoring associated with the Biosecurity Incursion risk.*

- *The Riskpool item was included to ensure the Audit and Risk Committee was aware of the continuing liability. GM Corporate Services will email the committee NRC's cumulative payouts against Riskpool.*

Actions:

1. GM Corporate Services to follow up with the Health and Safety team regarding procedures for managing aggressive individuals and mitigating psychological harm to assess whether our processes would withstand scrutiny from agencies like ACC to legal review.
2. GM Corporate Services to review with GM Biosecurity the scoring associated with the Biosecurity Incursion risk.
3. GM Corporate Services will email the committee NRC's cumulative payouts against Riskpool.

Fraud, Corruption and Dishonesty Activity Update (Item 6.5)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Crawford/Wolferstan)

That the report 'Fraud, Corruption and Dishonesty Activity Update' by Mandy Tepania, Audit and Assurance Lead and dated 5 August 2025, be received.

Carried

Secretarial Note:

- *Following on from the Deloitte presentation GM Corporate Services to review residual score for supplier invoice fraud to ensure NRC have enough mitigation measures in place.*

Quarterly report for Health and Safety activity with end of financial year summary data 2024-25 (Item 6.6)

Report from Tamsin Sutherland, Health and Safety Advisor and Shane Cleary, People and Culture Manager

Moved (Carr/Crawford)

That the report 'Quarterly report for Health and Safety activity with end of financial year summary data 2024-25' by Tamsin Sutherland, Health and Safety Advisor and Shane Cleary, People and Culture Manager and dated 24 July 2025, be received.

Carried

Secretarial note:

- *Health and Safety Specialist to reinstate the per head count rather than empirical number to the Lead and Lag tables which the Committee find more useful.*
- *The Committee expressed interest in identifying trends within incident reporting and analytics, and using that information to review current practices.*

Action:

1. Health and Safety Specialist to reinstate the per head count rather than empirical number to the Lead and Lag tables which the Committee find more useful.

Regulatory Services Quarterly Report (Item 6.7)

Report from Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services

Moved (Blackwell/Crawford)

That the report 'Regulatory Services Quarterly Report' by Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services and dated 6 August 2025, be received.

Carried

Municipal Wastewater Treatment Plant Discharge Compliance (Item 6.8)

Report from Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services

Moved (Blackwell/Carr)

1. That the report 'Municipal Wastewater Treatment Plant Discharge Compliance' by Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services and dated 6 August 2025, be received.

Carried

Moved (Crawford/Carr)

2. That the committee endorses Option 3 of this report, with regular reporting to this committee.

Secretarial Note: the Chair in putting the motion called for an expression of opinion by show of hands.

(Councillors Jones, Blackwell, Carr, Crawford, and independent members Riley and Wolferstan voted in favour. Councillor Craw voted against)

Carried

Secretarial note:

- *Councillor Craw suggested council investigate the viability for NRC to build and provide waste water plants on a cost recovery basis.*

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

Moved (Crawford/Craw)

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.

Carried

Moved (Jones/Crawford)

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 - 20 May 2025	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) and 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).
7.2	Cyber Resilience	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).
7.3	Litigation Schedule Quarterly Report April-June 2025	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).
7.4	Report on contracts awarded July 2024 - June 2025	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h).

Carried

Moved (Craw/Jones)

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

Carried

Whakamutunga (Conclusion)

The meeting concluded at 12.06pm.