

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Strategic Risk and Assurance Committee will be held on:

Date: Thursday 11 September 2025

Time: 9:30 am

Meeting Room: Council Chamber

Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort Chief Executive

Strategic Risk and Assurance Committee Te Komiti Rautaki tuuraru me te whakatuuturu OPEN AGENDA

Membership

Chairperson Mr Bruce Robertson

Heamana

Deputy Chairperson Ms Card

Heamana Tuarua

Ms Carol Bellette

Members Mayor Paula Southgate

Deputy Mayor Angela O'Leary

Cr Maxine van Oosten Cr Moko Tauariki Cr Kesh Naidoo-Rauf Cr Ewan Wilson Cr Sarah Thomson Cr Louise Hutt

Quorum: Four members (including one external appointee)

Meeting frequency: As required – no less than four times a year

Amy Viggers
Mana Whakahaere
Governance Lead
2 September 2025

Telephone: 07 838 6699 Amy.Viggers@hcc.govt.nz www.hamilton.govt.nz

Purpose:

- 1. The Strategic Risk and Assurance Committee is responsible for providing objective advice and recommendations to the governing body on the adequacy and functioning of the Council's risk management and assurance framework and external reporting.
- 2. The committee will review the effectiveness of the following aspects of governance, risk, and resilience management and internal control:
 - · risk and resilience management
 - internal and external audit and assurance
 - health, safety, and wellbeing
 - integrity and investigations
 - monitoring of compliance with laws and regulations

Terms of Reference:

Risk and Resilience

- 3. Review the effectiveness of the risk control environment established by management to safeguard Council's financial and non-financial assets, including the adequacy and appropriateness of insurance policies in place and management's actions to mitigate risks and report six monthly to Council.
- 4. To review the Risk Management Policy and recommend to Council revisions to the policy for adoption.
- 5. Review Council's strategic and organisational risk register and monitor existing controls and treatment actions.
- 6. Periodic in-depth reviews of specific, significant risks.
- 7. Monitor emerging risks and recommend to Council or management new strategic and organisational risks to be added to the strategic and organisational risk register.
- 8. Oversight of risk management and assurance across Council's CCOs and CCTOs with respect to risks that may have a significant impact on Council.
- 9. Review the adequacy and effectiveness of Council's health, safety and wellbeing and resilience (cybersecurity, protective security, business continuity, crisis, emergency, incident) management programmes.
- 10. Review the Fraud and Corruption, Protected Disclosure, Conflict of Interest, and Sensitive Expenditure management policies to ensure appropriate guidance and processes are in place.

Internal Audit

- 11. In conjunction with the Chief Executive, agree the scope of the annual internal audit work programme, having regard to Council's significant risks.
- 12. Monitor the delivery of the internal audit work programme to ensure the effectiveness of the Council's internal control framework.
- 13. Assess whether internal audit recommendations have been properly implemented by management.
- 14. Review the annual internal audit plans to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place.

External Audit

- 15. Engage with Council's external auditors regarding the external audit work programme and agree the proposed terms and arrangements of the external audit.
- 16. Recommend to Council the terms and arrangements for the external audit programme.
- 17. Review the effectiveness of the Annual Plan audit and Long Term Plan audit.
- 18. Assess management response to audit reports and the extent to which external audit recommendations concerning internal accounting controls and other matters are implemented.

Statutory Reporting

- 19. Review and monitor the integrity of the interim and annual report, focusing particularly on:
 - a) compliance with, and the appropriate application of, relevant accounting policies, practices and accounting standards
 - b) compliance with applicable legal requirements relevant to statutory reporting
 - c) the consistency of application of accounting policies as well as changes to accounting policies and practices that may affect the way that accounts are presented
 - d) any decisions involving significant judgment, estimation or uncertainty
 - e) the extent to which financial statements are affected by any unusual transactions and the manner in which these are disclosed
 - f) the disclosure of contingent liabilities and contingent assets
 - g) the clarity of disclosures generally
 - h) the basis for the adoption of the going concern assumption
 - i) significant adjustments resulting from the audit

Other Matters

- 20. Review the effectiveness of the systems for monitoring the Council's compliance legislation, regulation, policy and guidelines.
- 21. Engage with internal and external auditors on any specific one-off audit assignments.
- 22. Conduct and monitor special investigations in accordance with Council policy and approved budget or in response to material matters raised by staff or committee members, including engaging expert assistance, on matters within its Terms of Reference.
- 23. The Chairperson shall review the travel and other reimbursed expenses of the Chief Executive and confirm compliance with Council policies. This information will be provided to the Chairperson on a sixmonthly basis.
- 24. Such other Matters referred to it by Council.

The Committee is delegated the following recommendatory powers:

- The Committee has no decision-making powers.
- The Committee may make recommendations to the Council and/or the Chief Executive, as appropriate.
- The Committee may request expert external advice through the Chief Executive where necessary.

Special Notes:

- In fulfilling their role on the committee, members shall be impartial and independent at all times.
- Members are appointed for an initial term of no more than three years that aligns with the triennial elections, after which they may be eligible for extension or reappointment.
- Council appoints two external members of the committee, one of whom shall be Chairperson.
 External members shall have a broad range of skills and experience including risk management,
 health, safety and wellbeing, accounting or audit experience; the terms of the appointment to be
 recorded in a contract. External member contracts are to be reviewed and assessed six (6) months
 after each triennial election with no external members staying on Committee for longer than three
 (3) trienniums.
- The Chief Executive and any Internal Auditor(s) are required to attend all meetings but are not members and have no voting rights. Other Council officers may attend the committee meetings, as required.
- The Chief Executive and the Principal Advisor shall be responsible for drawing to the committee's immediate attention any material matter that relates to the financial condition of Council, any material breakdown in internal controls, and any material event of fraud, corruption or malpractice.
- The chairperson shall present an annual Audit and Risk Self Review to Council summarising the committee's activities during the year and any related significant results and findings.

Recommendatory Oversight of Policies and Bylaws:

- Risk Management Council Policy
- Fraud and Corruption Management Policy
- Protected Disclosure Management Policy
- Conflict of Interest Management Policy
- Sensitive Expenditure Management Policy

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies – Tono aroha	6
2	Confirmation of Agenda – Whakatau raarangi take	6
3	Conflict of Interest – Tauaakii whaipaanga	6
4	Public Forum- Aatea koorero	6
5	Confirmation of the Strategic Risk and Assurance Open Minutes 17 June 2025	7
6	CE Report	19
7	Health & Safety Report - 1 May 2025 to 31 July 2025 (Recommendation to the Council)	22
8	Risk Management Report	35
9	Approval of Our Climate Statement 2024/25 (Recommendation to the Council)	70
10	Audit New Zealand Update	105
11	KPMG - Internal Audit Update	114
12	Other Independant Assurance Update	117
13	Organisational Improvement Report	123
14	Compliance Reporting Update	127
15	Annual SRAC Self Review	144
16	Resolution to Exclude the Public	149

1 Apologies – Tono aroha

2 Confirmation of Agenda – Whakatau raarangi take

The Committee to confirm the agenda.

3 Declaration of Interest – Tauaakii whaipaanga

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum – Aatea koorero

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for five minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Committee Room prior to the start of the Meeting. A member of the Council Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6699.

tem 5

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Stephanie Goss **Authoriser:** Michelle Hawthorne

Position: Governance Advisor **Position:** Governance and Assurance

Manager

Report Name: Confirmation of the Strategic Risk and Assurance Open Minutes 17 June

2025

Report Status	Open

Staff Recommendation - Tuutohu-aa-kaimahi

That the Strategic Risk and Assurance Committee confirms the Open Minutes of the Strategic Risk and Assurance Meeting held on 17 June 2025 as a true and correct record.

Attachments - Ngaa taapirihanga

Attachment 1 - Strategic Risk and Assurance Open Unconfirmed Minutes 17 June 2025



Strategic Risk and Assurance Committee Te Komiti Rautaki tuuraru me te whakatuuturu OPEN MINUTES

Minutes of a meeting of the Strategic Risk and Assurance Committee held in Council Chamber and Audio-Visual Link, Municipal Building, Garden Place, Hamilton on Tuesday 17 June 2025 at 9:30 am.

PRESENT

Chairperson

Mr Bruce Robertson

Heamana

Members

Deputy Chairperson

Ms Carol Bellette

Heamana Tuarua

Mayor Paula Southgate (via Audio-Visual Link)

Deputy Mayor Angela O'Leary (via Audio-Visual Link)

Cr Maxine van Oosten

Cr Kesh Naidoo-Rauf (via Audio-Visual Link)

Cr Sarah Thomson

In Attendance: Cr Maria Huata (via Audio-Visual Link)

Cr Anna Casey-Cox (via Audio-Visual Link)
Cr Emma Pike (via Audio-Visual Link)
Cr Tim Macindoe (via Audio-Visual Link)

Kataraina Macown and Athol Graham – Representatives from Audit NZ Murtaza Ali – Representative from KPMG (via Audio-Visual Link) Karl Ferguson – Representative from Arkus Communications

The Chair opened the meeting with a karakia.

1. Apologies – Tono aroha

Resolved: (Mr Robertson/Ms Bellette)

That the Strategic Risk and Assurance Committee accepts the apologies for absence from Cr Wilson, Cr Hutt and Cr Tauariki; and for partial attendance from Deputy Mayor O'Leary.

2. Confirmation of Agenda – Whakatau raarangi take

Resolved: (Mr Robertson/Cr van Oosten)

That the Strategic Risk and Assurance Committee confirms the agenda noting that the late attachment for Item 9 (Audit New Zealand Update) is accepted. This was circulated to Members prior to the meeting and will be attached to the Open Minutes of this meeting via **Appendix 1**.

3. Declarations of Interest – Tauaakii whaipaanga

No members of the Committee declared a Conflict of Interest.

4. Public Forum – AAtea koorero

No members of the public wished to speak in the Public Forum.

Page 1 of 11

Attachment 1

5. Confirmation of the Strategic Risk and Assurance Open Minutes 6 March 2025

Resolved: (Mr Robertson/Ms Bellette)

That the Strategic Risk and Assurance Committee confirms the Open Minutes of the Strategic Risk and Assurance Meeting held on 6 March 2025 as a true and correct record.

6. Chief Executive Report

The Chief Executive highlighted the new format of his report which linked to strategic risks of the organisation, revaluations, wastewater constraints, the waters council-controlled organisation next steps and the recently released government metrics. Staff responded to questions from Members concerning rates revenue, service contracts with the new council-controlled organisation and the Local Government Benchmarking Framework.

Resolved: (Cr van Oosten/Ms Bellette)

That the Strategic Risk and Assurance Committee receives the report

Deputy Mayor O'Leary joined the meeting (9.35am) during the discussion of the above item. She was present when the matter was voted on.

Cr Naidoo-Rauf joined the meeting (9.37am) during the discussion of the above item. She was present when the matter was voted on.

7. Health & Safety Report - 1 February 2025 to 30 April 2025 (Recommendation to the Council)

The Health & Safety Manager took the report as read and responded to questions from Members concerning the progress of the standard operating processes review.

Resolved: (Mayor Southgate/Ms Bellette)

That the Strategic Risk and Assurance Committee recommends that the Council receives the report.

8. Risk Management Report

The Senior Risk and Resilience Advisor provided an update on the 7 strategic risks and the 2 emerging risks. Staff responded to questions from Members concerning financial risks, uncontrollable impacts, effects of political and legislative changes, government indications, risk to community facilities, induction programme for incoming council and other council responses to legislative change.

Staff Action: Staff undertook to consider additional ways council staff can engage candidates to help them familiarise themselves with Council and matters of significance.

Resolved: (Cr Thomson/Ms Bellette)

That the Strategic Risk and Assurance Committee receives the report.

The meeting was adjourned from 10.44am to 10.51am.

 ${\it Mayor Southgate retired from the meeting (10.44am) during the above adjournment.}$

9. Audit New Zealand Update (Recommendation to the Council)

The Chief Financial Officer and Audit NZ representatives spoke to the report highlighting the effective communication between staff and Audit NZ, consolidation, stormwater reticulation, Councils financial position, controlled environments, previously raised issues and risk mitigation. They responded to questions from Members concerning the status of other councils, disclosure, depreciation impact and the decision of the Council regarding the city waters revaluation likely resulting in a qualified decision even if included.

Page 2 of 11

Strategic Risk and Assurance Committee 17 JUNE 2025 - OPEN

Resolved: (Ms Bellette/Cr van Oosten)

That the Strategic Risk and Assurance Committee:

- a) receives the report;
- recommends that the Council approves the managements recommendation on the discontinuation of the presentation of Consolidated Financial Statements subject to confirmation of the treatment by Audit New Zealand; and
- c) notes the risks and impacts in relation to the revaluation of the Waters Reticulation asset classes for the Annual Report for the year ending 30 June 2025.

10. KPMG - Internal Audit Report

Representatives from KPMG spoke to report highlighting the review that was to start shortly and noted the draft plan would be presented to the September Strategic Risk and Assurance Meeting.

Resolved: (Mr Robertson/Cr Thomson)

That the Strategic Risk and Assurance Committee receives the report.

11. Other Independant Assurance Updates

The Chief Financial Officer and Arkus Representatives presented on the communications effectiveness review. They responded to questions from Members concerning Councillor involvement, future improvements, prioritisations and reporting mechanism for future reports back.

Resolved: (Deputy Mayor O'Leary/Ms Bellette)

That the Strategic Risk and Assurance Committee receives the report.

Deputy Mayor O'Leary retired from the meeting (11.52am) at the conclusion of the above item.

12. Organisational Improvement Report

The Chief Financial Officer spoke to the report and highlighted the planning being undertaken to address the maturity assessment.

Resolved: (Mr Robertson/Cr Thomson)

That the Strategic Risk and Assurance Committee receives the report.

13. Compliance Reporting Update

The Governance and Assurance Manager introduced the report noting the successful partnership with the internal communication team for privacy week. Staff responded to questions from Members concerning the review of the Elected Member code of conduct that was occurring.

Resolved: (Cr van Oosten/Cr Thomson)

That the Strategic Risk and Assurance Committee receives the report.

14. Annual Pre-Renewal Insurance Report

The Insurance Manager spoke to the report noting that there was a softening of the market on physical assets, the challenging insurance market and that the renewal is being taken in two stages.

Resolved: (Mr Robertson/Cr Thomson)

That the Strategic Risk and Assurance Committee:

- a) receives the report; and
- b) notes the market commentary and approach for the 2025/2026 insurance renewal.

Page 3 of 11

15. Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

Resolved: (Mr Robertson/Cr Thomson)

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Strategic Risk and Assurance Public Excluded Minutes 6 March 2025) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987 	Section 48(1)(a)
C2. Legal Risks - Committee Update		
C3. Organisational Improvement Register - Public Excluded		
C4. SR3 Loss of Information or Access to Systems and Services		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

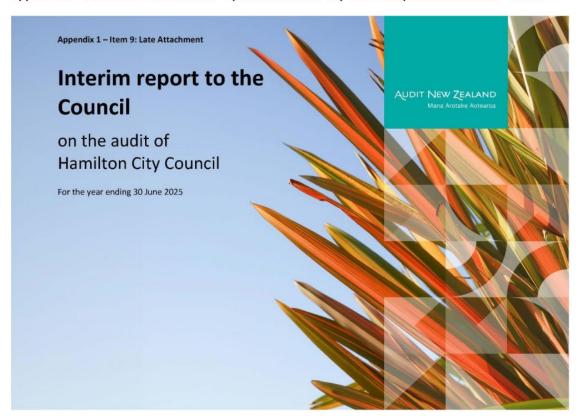
Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to maintain legal professional privilege	Section 7 (2) (g)
Item C3.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C4.	to protect information which is subject to an obligation of confidence where disclosure would likely damage the public interest to enable Council to carry out commercial activities without disadvantage to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (c) (ii) Section 7 (2) (h) Section 7 (2) (j)

The meeting moved in the Public Excluded at 12.00pm

The meeting was declared closed at 12.15pm

Page 4 of 11

Appendix 1 - Item 9: Late Attachment - Updated Hamilton City Council Report to Governors - Interim



Key messages (*)



We have completed our interim visits in respect of our annual audit of Hamilton City Council (the City Council) for the year ending 30 June 2025. This report sets out our findings from our interim audit work.

Purpose and scope of our interim audit

The primary purpose of our interim audit was to update our understanding of the City Council's control environment and systems of internal control relevant to the audit. Our work included a review of information systems and processes. We have updated our understanding of the City Council's key financial and non-financial systems and internal controls to gain an understanding of the matters facing the City Council and how these are being addressed.

Control environment

We carried out a high-level assessment of the City Council's control environment and tested the relevant key financial and non-financial systems. This work has been completed for the purpose of planning the most effective and efficient audit approach, to enable us to express an audit opinion on the City Council's financial statements and service performance information for the year ending 30 June 2025.

In this report we have made some recommendations for improvement to the control environment, particularly around the rating information

database, the register of interests for elected members, and risk

Valuation of infrastructure assets

The City Council engaged an independent valuer to reassess its sewer, stormwater, and water assets as of 30 April 2025. We understand that the valuer's initial findings indicate a 120% increase in asset value. Due to the magnitude of this increase, management is uncertain about the accuracy of the valuation and has opted to delay recognition of the revaluation in the financial statements for the year ending 30 June 2025 pending further investigation.

The book value of these assets was \$1.917 billion in the 30 June 2024 annual report, meaning a 120% increase would be material, and if unadjusted in the 30 June 2025 annual report would likely to result in a qualified audit opinion.

Prior year recommendations

We have commented on the status of our prior year's recommendations in Appendix 1.

We have only commented on the recommendations we were able to follow up on during the interim visits. All other prior year recommendations will be followed up and reported on at the completion of our 30 June 2025 audit.

Page 2 | Report to the Council on the interim audit of Hamilton City Council

Page 5 of 11

Thank you

We would like to thank the Council, management, and staff for the assistance they provided during the audit.

Athol Graham Appointed Auditor 11 June 2025

Page 3 | Report to the Council on the interim audit of Hamilton City Council





The Council, with support from management, is responsible for the effective design, implementation, and maintenance of the system of internal control. The system of internal control may be reflected in policy and procedures manuals, systems, and forms, and is implemented by the

Our audit considers the system of internal control to the extent that it is relevant to preparing the financial statements and service performance information. We evaluate the system of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances. We did not consider matters unrelated to the audit that may be relevant to the Council and management.

Foundations of the system of internal control

The control environment sets the tone of the organisation and provides an overall foundation for the operation of the other components of the system of internal control. Similarly, your risk assessment process and process for monitoring the system of internal control are designed to operate in a manner that also supports the entire system of internal control. Because these components are foundational to your system of internal control, any deficiencies in their operation could have pervasive effects on the preparation of the financial statements and service

We performed an assessment of the control environment, risk management process, and monitoring of controls relevant to financial and

Page 4 | Report to the Council on the interim audit of Hamilton City Council

service performance reporting. We considered the tone set by the Council and management, and whether the control environment provides an appropriate foundation for other components of the system of internal control. We also considered whether your risk assessment processes and process for monitoring the system of internal control are appropriate to your circumstances.

We advised management that there may be opportunities to strengthen the risk management framework and specifically the assessment of the controls identified to mitigate risks to an acceptably low level. For example, implementation of a cyclical assurance programme over the operational effectiveness of key controls.

Controls

Controls are the policies and processes that are established to achieve the control objectives of the Council and management. Controls relevant to the audit are those designed to provide reasonable assurance over the reliability and accuracy of financial and service performance information reporting.

We reviewed your information systems, business processes, and control activities, focussing on information processing controls that directly address risks to the integrity of financial and service performance information. We evaluate the design of relevant controls and consider whether the control, individually or in combination with other controls, is capable of effectively preventing, or detecting and correcting, material misstatements.

Page 6 of 11

Please note our assessment is not intended to provide you with assurance on internal control. As such, we provide no assurance that our assessment will necessarily identify and detect all matters in relation to internal control.

We reviewed the following key systems:

- Expenditure
- Payroll
- Revenue
- Eived accete
- Treasury (including accounting for derivatives)
- General ledger reconciliations and journals
- Systems used to capture and report service performance data for the performance measures that we have identified as key.

Based on our work to date, we are planning to take a substantive approach to our audit of the City Council's financial systems, either because we could not identify effective internal controls or because it would be less efficient for us to rely on those controls.

As a result of our interim audit work to date, we bring the following matters to your attention.

Rating information database - review of changes to the masterfile

While changes to the rating information database are approved before the change is made, we understand no independent review process is performed to ensure the change in the masterfile has been made

Page 5 | Report to the Council on the interim audit of Hamilton City Council

accurately. The risk to the City Council is that changes could be made inaccurately, which could affect rates assessed on properties.

We recommend management implement systems and/or processes to ensure changes to the masterfile are evidenced as reviewed on a regular basis or are part of the approval process.

Best practice would see the review function performed independently by an appropriate staff member, that is, the reviewer does not have the ability to make changes to the masterfile.

Conflict of interests register

We performed a search of the Companies and the Charities Registers and compared our findings to the register of interests for elected members and the conflict-of-interest declaration forms for the Executive Leadership Team. We found instances where some interests had not been declared or had not been recorded on the conflict of interests register.

We recommend the register of interests, and conflict of interest declaration forms are updated on an ad-hoc basis as and when interests arise.

Service performance information

We reviewed the City Council's systems and controls for reporting service performance information. We have selected a suite of performance measures as material measures for the audit. For those material measures, we focused on understanding whether the City Council has appropriate systems in place to accurately report against those measures

Other matters identified during the interim audit



Valuation of infrastructure assets

The City Council revalues its infrastructure assets whenever there is expected to be a material movement in the fair value of those assets. The City Council engaged an independent valuer to revalue its sewer, stormwater and water assets as at 30 April 2025.

Based on discussions with management, the valuer has completed their initial valuation resulting in a 120% increase in the value of these assets.

Due to the significant increase in the value of the water assets, management advised they intend investigate the movement with the valuer. They expect this work to be significant and have advised that they are not expecting to be able to adjust the 30 June 2025 financial statements for the new asset values.

The book value of these assets was \$1.917 billion in the 30 June 2024 annual report, meaning a 120% increase would be material, and if unadjusted in the 30 June 2025 annual report would likely to result in a qualified audit opinion.

We are yet to determine the exact nature of the audit opinion, but it would likely be one of the following:

- non-compliance with generally accepted accounting practice (GAAP) as the City Council has not complied with their accounting policy to account for the assets at fair value; and/or
- limitation of scope as both the City Council and we are unable to determine if the City Council has/has not complied with GAAP.

Should Council decide to not adjust the financial statements they should determine what disclosures to include in the annual report that would enable a reader to understand the impact of this decision on the financial statements.

Reporting entity

Management considered whether they are still required to prepare group financial statements following the disestablishment of Walkato Innovation Growth Limited in the 2024 financial year. They also performed an assessment to determine whether the City Council has control over the Walkato Regional Property Trust (the Trust).

The City Council provided \$24.65m of grant funding to 30 June 2024 to the Trust for the construction of the Waikato Regional Theatre which included conditions in favour of the Council. The Long-term Plan also committed annual funding for each year of the plan towards the maintenance of the theatre building.

We reviewed management's assessment and agreed that the Trust is not controlled by the City Council for financial reporting purposes and also agreed that group financial statements are no longer required.

Page 7 | Report to the Council on the interim audit of Hamilton City Council

Page 7 of 11

Quality and timeliness of information provided for audit

To enable the smooth delivery of the interim audit, management needed to provide information for audit in a timely manner, including supporting working papers. To facilitate this, we agreed key deliverables and timeframes with management to meet the expected timelines.

Fortnightly meetings between management and audit were held to track the status of key issues critical to the audit. This has facilitated the resolution of issues early in the process, as well as allowed for the preparation of a detailed milestones document, outlining key delivery dates of information for both management and audit. Some of the key issues that have been discussed at these meetings are:

- Waikato Regional Property Trust;
- Rotokauri and Templeton development understanding the arrangements and the accounting implications of these developments, if any; and
- Valuation of water assets, land and buildings.

Information was generally provided to us in a timely manner and by the due dates set. This allowed the interim phase of the audit to proceed efficiently and reduced the level of interruption in the Finance team. We appreciated the Council's assistance throughout the interim audit.

There are aspects of the audit that we are working with management on to be able to bring more work forward and ensure the final audit is as smooth as possible. These aspects include work on performance

Page 8 | Report to the Council on the interim audit of Hamilton City Council

information, reviews of capital work-in-progress, and valuations of land and buildings, and investment properties.

Summary of recommendations for improvement



Overview of new recommendations

Recommendation	Priority
Management implements systems and/or processes to ensure changes to the rating information database masterfile are reviewed on a regular basis.	Medium
Update the register of interests and conflict of interest declaration forms as and when interests arise.	O Low
Implement a cyclical assurance programme over the operational effectiveness of key controls in the risk management framework.	Medium

Our recommendations and their priority are based on our assessment of the extent and urgency of improvement from current practice to a standard that is appropriate for the size, nature, and complexity of your business.

Status of previous recommendations

Status	Priority					
	9 High	Medium	O Low	Total		
Open	-	3	-	3		
Implemented or closed	-	3	-	3		
Recommendations to be followed up at during our pre-final and final audit visits	5	4	-	9		
Total	5	10	-	15		

See <u>Appendix one</u> for details of previous recommendations.

Page 9 | Report to the Council on the interim audit of Hamilton City Council

Appendix 1

Status of previous recommendations



Recommendation	Priority	First raised	Status
Sensitive expenditure Update sensitive expenditure policies to include additional matters included in the Office of the Auditor-General's (OAG) updated sensitive expenditure guidance, where relevant to the City Council.	● Medium	2024	The sensitive expenditure policies have not been updated.
Manual processing of weekly timesheets The City Council implements an online timesheet function for processing weekly timesheets to improve the accuracy and efficiency of this process. Alternatively, the responsibility for capturing weekly timesheets could be delegated to an individual within the various departments, and the payroll staff members could then just perform a review of the captured information.	Medium	2019	An online timesheet function will be included in the new payroll system that is expected to be implemented in 2026.
Full review of Authority users and their access levels Cyclical full reviews of users and their access levels in Authority are completed to ensure access remains appropriate.	Medium	2024	Management is in the process of completing an Authority Users Audit. To date, the City Council has removed Authority access for non-employees and employees who are no longer employed at the City Council and restricted access to Level 1 Authority Security to the finance and assets team in Digital Services. Management is currently reviewing each user's access role is appropriate for their position.

Recommendation	Priority	First raised	Status
Network privileged user management improve the management and monitoring of privileged network user accounts including accounts that have direct access to the underlying database.	Medium	2024	Closed. The City Council has performed a review and reduced the number of privileged network user accounts.
IT changes are not following appropriate change management practices All IT changes are logged and approved prior to changes being made. A record of testing and approvals should also be maintained in the change management system.	Medium	2024	Closed. The City Council has formalised and implemented their IT change procedures.
Fraud and corruption management policy Review and update the Fraud and Corruption Management policy to include all minimum expected key elements. We also recommended the City Council consider other mechanisms to send a clear message of zero tolerance for fraudulent behaviour.	Medium	2024	Closed. The City Council updated the Fraud and Corruption Management policy in February 2025 to include the minimum expected key elements of a fraud policy.
Quality and timeliness of information provided for audit Stronger project management and QA processes are implemented for the preparation of the annual report. Any significant issues, risks or judgements should be flagged as early as possible and supported by robust work papers.	⊕ High	2024	This will be followed up at our final audit and reported in the final management report.
Fair value of revalued assets in a non-revaluation year To determine if there is a significant movement in the fair value of assets in a non-revaluation year, the City Council should use the carrying value at year end.	O High	2024	This will be followed up at our final audit and reported in the final management report.

Page 11 | Report to the Council on the interim audit of Hamilton City Council

Recommendation	Priority	First raised	Status
Work in progress (WIP) Project and Asset Managers review the remaining WIP balances on a regular basis to ensure that projects are being capitalised when completed.	⊕ High	2024	This will be followed up at our final audit and reported in the final management report.
Timely capitalisation of vested assets Asset Managers should provide information to the financial team monthly to ensure vested assets are capitalised in a timely manner.	⊕ High	2024	This will be followed up at our final audit and reported in the final management report.
Roading smoothness survey – traffic counts implement a process to improve the reliability of the traffic count survey data used to estimate road smoothness.	9 High	2024	This will be followed up at our final audit and reported in the final management report.
Impairment assessment After application of the equity method to account for the City Council's share of surpluses/(deficits) and other comprehensive income reported by the Waikato Regional Airport (WRAL) group, apply PBE IPSAS 36, Investments in Associates and Joint Ventures to determine whether there is any objective evidence that the City Council's net investment in the WRAL group in the Council's financial statements is impaired.	Medium	2024	This will be followed up at our final audit and reported in the final management report.
PBE FRS 48 Service Performance Reporting Include further information about the surveys used in the service performance information to ensure full compliance with PBE FRS 48, Service Performance Reporting.	Medium	2024	This will be followed up at our final audit and reported in the final management report.

Page 12 | Report to the Council on the interim audit of Hamilton City Council

Recommendation	Pri	ority	First raised	Status
Compliance with the Local Government Act 2002 Disclose in the annual report the identified effects for each group of activities, including any negative effects, to ensure compliance with the Local Government Act 2002.	0	Medium	2024	This will be followed up at our final audit and reported in the final management report.
Condition data available for valuer Condition data is included in asset registers and available for valuers.	0	Medium	2023	This will be followed up at our final audit and reported in the final management report.

Page 13 | Report to the Council on the interim audit of Hamilton City Council



AUDIT NEW ZEALAND Mana Arotake Aotearoa

PO Box 1165 Auckland 1140 Phone: 04 496 3099

www.auditnz.parliament.nz





Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Lance Vervoort **Authoriser:** Lance Vervoort

Position: Chief Executive **Position:** Chief Executive

Report Name: CE Report

Report Status	Open

Purpose - *Take*

 To inform the Strategic Risk and Assurance Committee of the key risks faced by Hamilton City Council that the Chief Executive would like to highlight.

Staff Recommendation - Tuutohu-aa-kaimahi

2. That the Strategic Risk and Assurance Committee receives the report

Executive Summary - Whakaraapopototanga matua

- 3. Key areas of interest to be highlighted at this meeting are risks associated with Strategic Risk 6.
- 4. Other topics including risks, may be included in the verbal update should they become a matter of concern to the Chief Executive following submission of this report.
- 5. A more detailed review of Council's key risks is included in the Risk Management report and Safety and Wellness report to this Committee meeting.
- 6. Staff consider the matters in this report to have low significance and that the recommendations comply with Council's legal requirements.

Discussion – Matapaki

Pre-Election Report

- 7. As outlined in the Pre-Election Report, Council must navigate some key challenges over the next triennium. Each of the headings directly link to the Strategic and Organisational Risks that are reported to this Committee.
- 8. As reported the key challenges facing Hamilton Kirikiriroa are:
 - i. Water reform;
 - ii. Designing the future Council;
 - iii. Financial Stability;
 - iv. Growth;
 - v. Government reforms;
 - vi. Working in partnership; and
 - vii. Trust and confidence.

Strategic Risk 6 - Political Changes Negatively Impact Strategic Direction

Local Government (System Improvements) Bill

- 9. The purpose of this bill as outlined in its explanatory note is to reduce pressure on council rates and to help address cost of living concerns. This includes refocusing the purpose of local government and prioritising core services in council spending. The bill is currently out for consultation and a draft submission will be discussed at the Council Meeting on 28 August.
- 10. In general, Central Government has been clear that Local Government needs to focus on and prioritise essential services and infrastructure. The bill outlines core services as network infrastructure, public transportation, waste management, civil defence emergency management, and libraries, museums, reserves, and other recreational facilities. It is also worth noting that this list does not include additional functions that council are responsible for under other pieces of legislation, such as animal control or consenting processes.
- 11. There is some risk that the proposed changes could create additional work for councils, thus having the opposite effect of reducing costs. Staff continue to monitor the impact this bill will have on Hamilton City Council.

Local Water Done Well - IAWAI

- 12. The establishment programme for IAWAI is on track, and over the last three months there have been some significant milestones including:
 - The Water Services Delivery Plan has been submitted and approved by the Department of Internal Affairs ahead of schedule;
 - ii. A core team of staff have been seconded to IAWAI to set up systems to enable operations from;
 - iii. Progressing the people, health and safety workstream including: engaging the recruitment firm to support the Board in recruiting a chief executive; progressing the design of the change process and staff engagement required to support the transition of staff; and work on design concepts / options for the Day 1 IAWAI staff structure;
 - iv. Development of register of all contracts that will need to transfer; and
 - v. New workstream set up to scope the work required by the Local Government (Water Services) Bill to: complete the review of existing waters bylaws; complete the water, wastewater, and stormwater plans; and ensure that IAWAI can legally administer the bylaws and undertaken necessary compliance and enforcement activities.
- 13. Due to the scale and complexity of the programme of work being undertaken, a comprehensive approach to dealing with risks is being undertaken. Risks for the programme delivery, IAWAI and shareholders are being managed and treated collectively. These range from managing the significant change process required and the flow on impacts for staff to building the financials for IAWAI. As we move closer to 1 July 2026, a process to identify enterprise risks for IAWAI will be undertaken.
- 14. Programme costs for this work (in line with council approved budgets of \$7.35 million for establishment) are on track, although there remains uncertainty in work required to get to 1 July 2026 which presents risk.

Financial Considerations - Whaiwhakaaro Puutea

15. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

16. Staff confirm that this report complies with Council's legal and policy requirements.

Risks – Tuuraru

- 17. The matters raised in this report link directly to Strategic Risks 2, 5, 6, and 7, and Organisational Risks 1, 2, and 3. For further information on these risks please refer to the Risk Management Report.
- 18. There are no known risks associated with the decisions sought in this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 19. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 20. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 21. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways:

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.
	Given the low level of significance determined, the engagement level is low. No engagement is required.
He Pou Manawa Ora - Pillars of Wellbeing	Ensuring Council manages its strategic and organisational risks effectively directly relates to implementing He Pou Manawa Ora.
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the <u>Climate Change Policy</u> for both emissions and climate change adaptation. Staff have determined no adaptation or emissions assessment is required.
<u>Disability Action</u> <u>Plan</u>	Ensuring Council manages its strategic and organisational risks effectively directly relates to implementing our community strategies and plans, including the Disability Action Plan.

Attachments - Ngaa taapirihanga

There are no attachments for this report.

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Manager

Author: Dan Finn **Authoriser:** Sean Hickey

Position: People, Safety & Wellness **Position:** General Manager People,

Performance and Culture

Report Name: Health & Safety Report - 1 May 2025 to 31 July 2025

Report Status	Open
---------------	------

Purpose - Take

1. To inform the Strategic Risk and Assurance Committee on safety and wellbeing progress, performance, and activities for the period covering 1 May to 31 July 2025.

Staff Recommendation - Tuutohu-aa-kaimahi (Recommendation to the Council)

2. That the Strategic Risk and Assurance Committee recommends that the Council receives the report.

Executive Summary - Whakaraapopototanga matua

- 3. This report is focussed on our continued progress of key strategic activities that are aligned to risks, relationships, and resources. To provide the Committee with a more comprehensive overview of our progress, we have included supplementary updates on wider activities, assurance, and successes.
- 4. There has been a slight increase in the total number of health and safety events during this quarter, compared to the same period this time last year, increasing from 201 events to 224. The number of Lost Time Injuries (LTIs) has reduced from 9 LTIs to 7 LTIs. The number of Medical Treatment events has remained the same. There were 6 WorkSafe notifiable events reported during this period all involving external contractors.
- 5. Telarc NZ completed a Stage 1 ISO45001 audit on the 3rd & 4th of June 2025. The assessment concluded that Council's management systems are well integrated into daily operations and aligned with the requirements of ISO45001:2018. There were no significant concerns raised although there were some areas highlighted for improvement. Having satisfied the Stage 1 requirements, the Stage 2 assessment has been scheduled for the week commencing 10 November 2025.
- 6. In alignment with Council's commitment to fostering a safe, healthy, and high performing workplace, a new digital wellbeing platform called 'My Everyday Wellbeing' has been launched. This initiative represents a proactive investment in employee wellbeing, offering scalable access to mental health resources, personalised wellbeing tools, and confidential support services. The platform is designed to enhance psychological safety, resilience, and engagement across all levels.

7. Staff consider the matters highlighted in this report to have low significance and no known risk, and that the recommendations comply with the Council's legal requirement.

Discussion - *Matapaki*

Strategic Progress – Te ahunga whakamua rautaki

- 8. Our strategic health and safety programs continue to evolve to ensure our obligations and requirements under health and safety legislation continue to be met.
- 9. To provide the committee with visibility of current, new and emerging programs, the following workstreams have been tabled, noting that good progress has been made during this quarter:

Table 1: Key workstreams

Workstream	Status	Next milestone	Comment
Critical Risk	100%	The 13 Bowtie Risk	The bowties can be used proactively to
Management		Assessments have been	check if business units have the
		completed and loaded up	relevant controls in place and as a
		onto Tahi for all	source of reference in the investigation
		employees to access	process.
Review Lone		The new contract	Training continues for both users of the
Worker Devices	100%	commenced on the 27 th	devices and those on the 'call tree'
		May 2025	response. Feedback from users is
			helping to enhance engagement and
			improve performance.
ISO45001	80%	The Health & Safety	Stage 1 of the ISO45001 audit was
Internal Audits		Team continue to	successfully achieved on 3 rd & 4 th June
		support business units	with Stage 2 scheduled for the week of
		in readiness for the	10 th November.
		Stage 2 external audit.	
Who's on	90%	Who's on Location	There are QR codes available for easy
Location		continues to be rolled	access and use, and the remaining
		out across sites. The	sites e.g. Zoo are about to go live with
		contractor module	Who's on Location.
		includes both a sign in	
		component at site as	
		well as an induction	
	_	for verification.	
Review	10%	SOPs are stored in	Given the current focus of health and
Standard		multiple locations and in	safety on the impending ISO45001 this
Operating		different formats. The	project of work is scheduled to
Procedures		intent is to centralise	commence in early 2026.
(SOPs)		the storage of SOPs and	
		to ensure consistent	
		documentation that is	
		easily accessible to all	
		business units.	

Risks and Incidents - Ngaa Tuuraru me nga Paanga

10. The incidents profiled during this quarter are summarised in the below table, and provide a comparison to the previous quarter, and for the same period last year:

	1 May to 31 July 25 (Current quarter)	1 Feb to 30 Apr 25 (Previous quarter)	1 May to 31 July 24 (Quarter 2024)
Total Number of Events	224	222	201
Injuries	71	74	72
Lost Time Injuries	7	10	9
Medical Treatment	11	5	11



- 11. In alignment with Council's commitment to managing the critical risk of Mental Health, additional GoodYarn Mental Health Workshops were delivered during May 2025, facilitated by Synergy Health. These workshops are designed to empower employees with the skills and confidence to engage in supportive conversations with colleagues they may be concerned about, and to guide them towards appropriate avenues for support.
- 12. Annual health checks were offered to employees during June and July, with 269 employees participating. Delivered by ProActive Health, the checks included assessments of blood pressure, glucose levels, cholesterol, and Body Mass Index (BMI). These proactive screenings support employee wellbeing and contribute to early identification of potential health risks.

Council and Contractor WorkSafe Notifiable Events

- 13. There were 6 WorkSafe notifiable events reported by contractors during this period. A brief description is mentioned below:
 - i. an excavator arm contacted overhead powerlines, resulting in a wooden pole breaking at its midpoint;
 - ii. while transporting redundant pipework, an overhead service cable was struck;
 - iii. during kerbside collection, a power pole was reversed into, causing wires to come down;
 - iv. a service strike occurred while removing a core drill, leading to a power outage;
 - v. a contractor driver was physically assaulted by a member of the public during food waste collection; and
 - vi. a service strike occurred when a gas main that had been fed through an old redundant watermain, was cut into.
- 14. Further details of these notifiable events can be found in **Attachment 1**.

Relationships - Whanaungatanga

- 15. The Safety Governance Committee met on 9 June 2025 at the Hamilton Gardens. The Unit Director, Lucy Ryan and her team gave an overview of the daily operations and highlighted the critical health and safety risks faced by staff when undertaking work. Refer to **Attachment 2**.
- 16. The next Safety Governance Committee meeting is scheduled for 1 September 2025 and the Customer & Community Libraries will be profiled. Paula Murdoch and the team will provide insights and a first-hand account of a typical working day and the critical risks that they are exposed to, including Dealing with Aggressive and Violent People, Mental Health and Working with Hazardous Substances.

Resources - Rauemi

- 17. Recruitment is underway for a Health & Safety Business Partner following a recent resignation. Once this role is recruited all current and established positions will be filled.
- 18. Health & Safety Committee meetings continue to occur across the organisation, and Health & Safety Representative Training Stage 1 and 2 have been completed within this period.

Assurance - Kii Taurangi

- 19. Telarc NZ completed Stage 1 of the ISO45001 audit and provided key recommendations to strengthen Hamilton City Council's Health & Safety Management System:
 - i. Core Documentation: Standardise safety processes across platforms for consistency and alignment;
 - ii. Legal Compliance: Enhance Section 3.4 with clearer processes for managing and evaluating legal obligations;
 - iii. Document Control: Define responsibilities, standardise procedures, and improve version control and retention practices;
 - iv. Emergency Preparedness: Broaden drill scenarios to include chemical spills, natural disasters, and medical emergencies; and
 - v. Internal Audits: Expand scope to include corporate-level safety systems for better strategic alignment and oversight.
- 20. Health & Safety Business Partners continue to work closely with operational teams to ensure that health and safety practices are being maintained and that sites are in the best position possible leading into Stage 2 of the audit.

Successes - Angituutanga

21. The Health & Safety Team have been working collaboratively with the Infrastructure & Assets team to complete a review of the current permit to work system used at both the Pukete Wastewater and Waiora Water Treatment Plants. Working with staff and management, the intent is to understand the current processes, to make recommendations to simplify and improve our procedures.

Financial Considerations - Whaiwhakaaro Puutea

22. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

23. Staff confirm that the matters in this report complies with the Council's legal requirements.

Risks - Tuuraru

24. There are no known risks associated with the decisions required for in this matter.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 25. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 26. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 27. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways.

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.
	Given the low level of significance determined, the engagement level is low. No engagement is required.
He Pou Manawa Ora - Pillars of Wellbeing	Staff have considered He Pou Manawa Ora and determined that there are no specific or relevant outcomes applicable to this report.
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the Climate Change Policy for both emissions and climate change adaptation. Staff have determined no adaptation or emissions assessment is required.
Disability Action Plan	Staff have considered the Disability Action Plan and determined that there are no specific or relevant outcomes applicable to this report.

Attachments - Ngaa taapirihanga

Attachment 1 - WorkSafe Notifiable Events

Attachment 2 - Safety Governance Committee Meeting Minutes

DATE OF EVENT:	12 th May 2025		
LOCATION:	Outside of 953 Heaphy Terrace, Fairfield, Hamilton		
BUSINESS GROUP INVOLVED:	External Contractor		
WHAT HAPPENED?	At approximately 0900hrs, an excavator arm made contact with overhead powerlines across Heaphy Terrace. This resulted in the wooden pole to break halfway up the pole where a knot had weakened the wood.		
WHAT IMMEDIATE ACTION HAS BEEN TAKEN:	 The Spotter, realising what had happened stopped the excavator the Excavator Operator completed emergency shutdown and exited the vehicle as per their policy. The area was made safe and WEL Networks was notified and attended site. 		
NEXT STEPS:	 An investigation is underway, and awaiting incident report from contracting company. ORA Event No: 04005 WorkSafe Notifiable Ref:00170732 		



DATE OF EVENT:	14 th May 2025 at 1:30 pm		
LOCATION:	Waste Water Treatment Plant, Pukete		
BUSINESS GROUP INVOLVED:	External Contractor		
WHAT HAPPENED?	A contractor was transporting redundant pipework using an HCC forklift. They have hit an overhead services cable tray (electrical and water) with the mast of the forklift. The impact tore the cable tray from its mounting, with the cable tray landing on the roof of the forklift. The damaged electrical cable has then sparked igniting a bird's nest in the sludge loadout conveyors.		
WHAT IMMEDIATE ACTION HAS BEEN TAKEN:	 The fire was extinguished, and electrical services isolated. A check was done on the condition of the driver. 		
NEXT STEPS:	An investigation is underway by both Industrial Welding Limited and HCC. ORA Event No. 04011 WorkSafe Notifiable Ref:00170732		



DATE OF EVENT:	11 th June 2025
LOCATION:	Cotton Street, St Andrews, Hamilton
BUSINESS GROUP INVOLVED:	External Contractor
WHAT HAPPENED?	Council's external contractor was undertaking duties in the area and while completing these has reversed into a power pole bringing down wires.
WHAT IMMEDIATE ACTION HAS BEEN TAKEN:	Site secured by the Contractor and WEL contacted to rectify situation.
NEXT STEPS:	The Contractor is conducting their own internal investigation. WorkSafe Notifiable Reference No:00177901 ORA: 04099



DATE OF EVENT:	2 nd July 2025		
LOCATION:	Sapper Moore Jones Place, Hamilton Central City		
BUSINESS GROUP INVOLVED:	External Sub-Contractor		
WHAT HAPPENED?	Drilling contractor was using a core drill. As the core drill was being removed from the hole it has caught and pulled on the cable and has accidentally severed it. No one was harmed. The strike created a power outage and as a result, 200 properties lost power.		
WHAT IMMEDIATE ACTION HAS BEEN TAKEN:	 Work site was shut down. Repair completed urgently to reconnect affected customers. Contractor was taken to A & E as a precaution where no injuries were detected. 		
NEXT STEPS:	 The subcontractor was engaged by the head contractor who are currently investigating and will provide a report. They have notified WorkSafe. WorkSafe Notifiable Reference No:00182826 ORA: 04169 		



DATE OF EVENT:	15 th July 2025		
LOCATION:	Burns Court, Enderley, Hamilton		
BUSINESS GROUP INVOLVED:	External Contractor		
WHAT HAPPENED?	While Council's external contractor was undertaking duties in the area, a vehicle has driven into the contractors vehicle causing damage. The driver of the vehicle has then exited and when the Contractor driver showed the extent of damage, the driver of the car has king hit the Contractor knocking him out. The Contractor has fallen to the ground causing them to sustain a head injury which required stitches. The driver of the vehicle has been recorded on camera which has been shared with the police.		
WHAT IMMEDIATE ACTION HAS BEEN TAKEN:	 Police were called to incident. The driver of the vehicle left the scene, leaving their car behind. An Ambulance was called for the driver. The Contractor's management arrived on site to support their driver. HCC advised. 		
NEXT STEPS:	 Awaiting Investigation report to be completed by the Contractor. WorkSafe Notifiable Reference: 00186790 ORA:04196 		



DATE OF EVENT:	23 rd July 2025 at 00:10		
LOCATION:	Intersection of Rostrevor and Tristram Streets, Hamilton outside 244 Tristram Street		
BUSINESS GROUP INVOLVED:	External Contractor		
WHAT HAPPENED?	Work being completed on a 150 PVC S2 watermain. Watermain was shut down. Contractor was cutting into pipe with power saw to remove section of pipe to join newly replaced water main onto it. This section of pipe had been abandoned, and a gas main had been fed up the inside of the old watermain.		
WHAT IMMEDIATE ACTION HAS BEEN TAKEN:	 All machines were shut down immediately and the area was evacuated. Traffic management closed the street. First Gas attended and repaired it immediately. 		
NEXT STEPS:	Awaiting Investigation report to be completed by Contractor. WorkSafe Notifiable Reference: 00188319 ORA:04229		



Meeting Minutes

Safety Governance Committee

Time and date:

10.00am, Monday, 9 June 2025

Venue:

The Chartwell Room, Hamilton Gardens, Hungerford Cres

In

Attendance: Parsons (GM

Parsons (GM IA), Blair Bowcott (GM Growth, Strategy and Planning), Sean Hickey (GM People, Performance & Culture), Louise Lukin (Director CE and Mayoral Offices), Rebecca Whitehead, (Standing in for Helen Paki, GM, C&C), Irene James (standing in for Sean Murray, GM Destinations), Ewan Wilson (Elected Member), Olly Te Ua (Māori Rep), Marie Snowball (Health & Safety Manager), Gary Connelly (CFO), Janet Carson (GM PC&M), Dan Finn (People, Safety & Wellbeing Manager),

Greg Dearsly (Independent Chair), Lance Vervoort (Chief Executive), Andrew

Claire Toko (H3) and Michelle Becker (Minutes).

Guests:

Lucy Ryan - Hamilton Gardens Director & Team

Apologies:

Helen Paki, Sean Murray, Gordon Naidoo

1. Welcome and General Update - H&S Landscape (external) by Greg Dearsly

Brief update of the health and safety legislative changes indicated by government, significant staff and funding cuts by government and changes to WorkSafe.

- The Committee were hosted by Lucy Ryan, Hamilton Gardens Director and Team to gain an overview of
 the Hamilton Gardens daily operations and to highlight critical health and safety risks faced by staff.
 Lucy provided a general overview of the Hamilton Gardens business unit, size, number of people who use
 and visit them, recent project work and future plans.
- 3. Gus Flower introduced key staff to cover the critical risks faced by them whilst undertaking their daily tasks:
 - Monique Shaw discussed the exposure to water at the gardens, this includes the river and ponds on site. Description of the training provided and safety protocols in place to manage the risks.
 - Alice Gwilliam gave an overview of the risks associated with working at height, the equipment they use for this, the type of work they do, and the challenges faced by staff.
 - Josh Hainge described the range of operating mobile plant and machinery by staff and the controls in place to manage the risks.
 - Tarn Harker explained how and what hazardous substances are used by Council at the gardens.
 He gave an explanation of the work done by the team to reduce the amount and variety of chemicals used.
 - Hailey Max gave an overview of how staff manage dealing with aggressive and/or violent people
 and the steps they have undertaken to train staff and the impact the paid entry has had on
 reducing objectionable behaviour.
 - Gus Flower spoke about the challenges with lone working and how the staff are managing this
 risk. He also asked about annual health monitoring for those staff who are exposed to various
 substances in the course of their role.

Meeting Minutes

Hamilton City Council

Meeting Minutes

- Marie Snowball confirmed that this should be happening on an annual basis through ProActive Health as it does across a number of HCC's business Units.
 - **Action**: Marie to follow up with ProActive Health and Gus to understand why it was stopped, and to get it reinstated.
- Lucy Ryan took the Committee on a tour of the new projects being undertaken at the Hamilton Gardens
 including the Apothecary garden.
- 5. Connecting and reviewing the critical risks to our Bowtie risk assessments Marie Snowball Marie provided an example and explanation of the Bowtie system used by the Health and Safety Team to identify and manage the critical risks at Council.
- 5. General Discussion around the table
- 6. Actions assigned from meeting

Marie Snowball, Health & Safety Manager to follow up with ProActive Health around annual health monitoring with staff at the Hamilton Gardens.

The meeting was declared closed at 12.20pm

Next Meeting: TBA

Page 2 of 2

Hamilton City Council
To kausilhara a Kirikirina

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Nicholas Whittaker **Authoriser:** Janet Carson

Position: Senior Risk and Resilience **Position:** General Manager

Advisor Partnerships,

Communication & Maaori

Report Name: Risk Management Report

Report Status	Open
---------------	------

Purpose - Take

1. To inform the Strategic Risk and Assurance Committee on the status of Council's seven strategic risks, four organisational risks and any potentially significant emerging risks.

Staff Recommendation - Tuutohu-aa-kaimahi

2. That the Strategic Risk and Assurance Committee receives the report.

Executive Summary - Whakaraapopototanga matua

- 3. In the 17 June Risk Management Report additional paragraphs were included to better explain the difference between risk appetites and residual risk levels. As there have been no changes to the residual risk levels this quarter, this has not been included in this report.
- 4. **Strategic Risk 1** includes the six-monthly security risk recommendation update which shows a significant shift in progress. There are now only 12/411 recommendations yet to be completed. A number of other specific topics have been raised as part of Strategic Risk 1 to provide greater transparency for elected members on the progress of key operational work programmes.
- 5. **Strategic Risk 6** has remained an Extreme Risk, given the current complex legislative and political environment. The wide-ranging impacts of these changes could materially impact all other strategic and organisational risks.
- 6. The upcoming local government election has been noted as context for both **Strategic Risk 6** and **Organisational Risk 2**.
- 7. Staff consider the matters in this report have medium significance and that the recommendations comply with Council's legal requirements.

Discussion – *Matapaki*

Strategic Risk 1 – Failure to Respond to a Disaster, Crisis, or Emergency

8. There is no change to the residual risk rating for this risk – it remains very high. This sits outside of our appetite of 'cautious'.

Organisational Security Risk Assessment (OSRA)

9. Sustained progress is being made, as per the table below, but there is no change from the position reported in March. Of the 10 Recommendations made 3 High Risk recommendations have been completed, 4 High Risk recommendations are underway, 2 Medium Risk recommendations are underway and 1 High Risk recommendation has not been started (it will start following the completion of other recommendations). All of the actions arising from the organisation wide security risk assessment are ongoing and will take multiple years to complete.

Security Risk Assessments

- 10. In March we reported that 51 recommendations remained in progress and 12 recommendations had not yet started.
- 11. There has been significant progress in the last six months and there are now only 12 recommendations outstanding, and all are in progress.
- 12. The status of all recommendations is now:

Group	Completed	In Progress	Not Started	Total
Customer and Community (6 assessments)	197	0	0	197
Partnerships, Communication & Maaori (1 assessment)	15	0	0	15
Destinations (4 assessments)	126	1	0	127
Infrastructure and Assets (4 assessments)	61	11	0	72
Totals	397	12	0	411

- 13. The 11 in progress recommendations for Infrastructure and Assets are spread across the water treatment and wastewater treatment plants and Duke Street City Delivery premises. Physical improvements will be completed as money becomes available. Where required interim measures have been put in place to manage the risks.
- 14. The single remaining recommendation for Destinations relates to Hamilton Gardens. Other controls are in place to support the management of this risk until the recommended action has been completed.
- 15. The current due date for these recommendations is 28 November 2025. While the remaining physical works will be completed by this date several outstanding recommendations relate to the implementation of alert levels for the sites which will be covered in the Security Policy. This will be completed by 30 June 2026. The overall due date for this treatment plan has been moved to 30 June 2026 to align with the timeframe for that policy.

Civil Defence Emergency Management

- 16. The confirmed result for our annual exercise undertaken in March is 64%. This is a 1% improvement on last year and we remain in the Advancing Category.
- 17. The two new Emergency Management Officers have commenced in their role and have hit the ground running.

- 18. Nine staff volunteered for deployment as part of the initial response to the recent flooding events in Tasman, however none were needed. With the most recent weather event, NEMA sent a group of staff and Civil Defence Emergency Management trained volunteers from Waikato to Nelson Tasman and three Hamilton City Council staff were part of that group. Luckily, the weather turned out better than expected and the surge staff was sent home early but the support provided was appreciated by Nelson Tasman.
- 19. Training activities continue and we recently surpassed 50% of the organisation being trained at Foundation level. That is an increase of more than 25% or 350 people since January.
- 20. The recent consultation on the proposed Emergency Management Bill has concluded. Hamilton City Council submitted to endorse the Group Civil Defence Emergency Management submission.

Recent Bad Weather

21. Recent bad weather has been responded to within the organisation in line with business continuity practices and there has not been a need for escalation to a Civil Defence response.

Dutch Elm Disease

22. There have not been any more confirmed cases of the disease within Hamilton. This risk has been reviewed and has been moved from an emerging risk to an operational risk. The current residual rating has also decreased from extreme to very high due to the chance of transmission being lower in winter months. Staff continue to monitor this risk and progress actions to manage it.

Organisational Resilience Policy

23. This policy has now been approved by the internal policy steering group. As it is a management policy it does not require Council sign off.

Bir<u>d Flu</u>

- 24. A new strain of the virus (H5N1 2.3.4.4b) was identified in Europe and the USA. It has been detected in the Antarctic Peninsula; however, it has not yet reached New Zealand, Australia or the Pacific. This new strain does not require a mutation in poultry from the low pathogenicity form, so any transmission from infected wild birds to poultry will result in Highly Pathogenic Avian Influenza.
- 25. Ministry for Primary Industries is the national lead agency for responding to Highly Pathogenic Avian Influenza, but Council will have to manage sick and dead birds in public places to protect public health and reassure the public.
- 26. A response plan is being developed in preparations for Highly Pathogenic Avian Influenza arriving.
- 27. There are no commercial poultry farms within the boundary of Hamilton City Council, however, Kirikiriroa Hamilton has numerous locations with large populations of both native and exotic birds. The most significant site is Te Kaaroro Nature Precinct and specific planning on how this area will be managed and protected in the event Highly Pathogenic Avian Influenza arriving is ongoing.
- 28. Management will be done primarily by staff from the parks team. Should the effects of Highly Pathogenic Avian Influenza become too great for the parks team to manage, escalation will occur to Council Civil Defence Emergency Management to coordinate the overall response.

Strategic Risk 2 – Significant Negative Impact on Financial Strategy

29. The residual risk rating for this risk remains at High.

- 30. The current financial and economic position for Hamilton City Council reflects a cautious approach as council faces a number of ongoing challenges including inflationary pressures, central government reforms (including Local Waters Done Well) and external funding uncertainties. Staff continue to monitor this risk closely as well as regional and national financial and economic conditions, some of which are detailed below.
- 31. The 2024/25 financial year was challenging with consumer price inflation up, spending down, economic growth falling, and unemployment at its highest point in over a decade. But even within the negative falls of many annual indicators, Hamilton is continuing to outperform the national economy across most areas. We are also seeing glimmers of hope with many indicators stabilising in recent months and some even improving compared to the March and December quarters.
- 32. Interest rates have fallen between one and two percentage points since June 2024 following cuts to the Official Cash Rate and a weaker economic outlook on the back of American tariffs. House prices and the property market, key drivers of consenting activity in Hamilton, have been weak over the past 12 months but were also showing glimmers of improvement towards the end of the financial year. Property sales were up 23% and our sales data is showing a 1% increase in house prices in the June quarter with house prices stable year on year.
- 33. Residential consenting continued to fall, with 881 new dwellings consented across the year down 13% year on year and 32% below the five-year average. Residential consenting increases when house prices increase, and real estate listings are selling fast. The number of existing homes available at the moment is one of restrictors to growth in consenting.
- 34. Non-residential consenting remains below the long-term average with 22,500m² of new space consented in the year to June 2025. However, alterations and additions remained strong with over \$100 million consented in the last 12 months. Much of the activity is located in the central city where tenants are moving to better premises and the old premises are revamped to attract new tenants.

Strategic Risk 3 - Loss of Information or Access to Systems and Services

35. Commentary and treatment plans relating to this risk contains confidential and commercially sensitive information and are covered in the Loss of Information or Access to Systems Report presented to the Committee in the public excluded part of this meeting.

Strategic Risk 4 - Failure to Respond to Climate Change

- 36. There is no change to the residual risk rating for this risk it remains at very high.
- 37. Our climate change response has three key elements:
 - i. a long-term strategy for the city Our Climate Future: Te Pae Tawhiti o Kirikiriroa;
 - ii. requirements for integrating into decision making Climate Change Policy; and
 - iii. an acknowledgment of the strategic risk it presents for our city and organisation Strategic Risk 4 Failure to Respond to Climate Change.
- 38. The current work programme for Council is driven by these three elements and addresses gaps in current knowledge. It is focused on emissions reduction, risk and adaptation, maturity and disclosure and climate change education.
- 39. The second climate change disclosure report, Our Climate Statement 2024/2025 is being presented at this Committee. The report outlines how Council is managing climate change risks and opportunities and also the improvements made over the last year. It highlights the development of the education programme for staff and leaders, the procurement of Resilience Explorer to provide Council with better risk information and the review of the Climate Change Impact Statement process.

Strategic Risk 5 – Failure to Deliver Growth Outcomes

- 40. There is no change to the residual risk rating for this risk it remains at high.
- 41. Staff are progressing multiple Private Plan Changes, including Te Rapa North Industrial Zoning, Te Kowhai Road Zoning, and Tuumata Residential Zoning (Ruakura). Several Notices of Requirements (NoRs) are being processed, including the Rotokauri Strategic Infrastructure Designation. Council-initiated Plan Changes are also advancing, with Plan Change 9 (Historic Heritage and Natural Environment), working with appellants to resolve appeals on Plan Change 9 related to heritage and significant natural areas and Plan Change 14 (Flooding) submissions closed, and a hearing anticipated in October 2025.
- 42. Private Plan Change 17 Two key issues from a Hamilton City Council perspective are wastewater treatment plant capacity and water supply allocation. Staff have now agreed to support Plan Change 17 with the provision of infrastructure on a staged approach, this has been confirmed through a Memo from Infrastructure Planning, Strategy and Programming.
- 43. Staff are engaging with successful Fast-track developers in and around the edge of Hamilton City. A Future Proof multi-agency team and working arrangement has been established to proactively collaborate with these developers.
- 44. The Central City is a major growth hub, with significant construction expected from 2026. A Hamilton City Council Development Response Plan has been prepared for internal staff use to ensure smooth delivery and to minimise the impact on central city residents, businesses, events, workers and visitors. Staff are assessing resourcing to support alignment, coordination and stakeholder engagement and are reviewing and establishing clear programme governance.
- 45. Due to constrained Long-Term Plan funding, enabling infrastructure for new zoned areas as part of the Fast-track process will not be met by the Council. There is also limited funding in the Long-Term Plan for upgrades of existing networks to service growth. The Council will need to consider levels of service, water allocations, funding levers, and developer agreements to service increased growth demand along with reconsidering the City' strategy as to how and where it invests in growth. Government policy settings are likely to lead to more land being enabled for urban development notwithstanding the potential lack of Council funded and supplied infrastructure.
- 46. These risks were accepted by the Strategic Growth and District Plan Committee on 7
 November 2024 and again highlighted at the 20 February 2025 Strategic Growth and District
 Committee Meeting. A change in operating model will be required to respond to growth
 pressures, including decisions on who builds, owns, and operates infrastructure, who leads
 planning processes for new growth areas, and jurisdictional considerations. These constraints
 and changes in organisational approach will be required to respond to SR5. Discussions are
 underway with neighbouring authorities regarding how future urban development on the edge
 of Hamilton City will be managed and the potential for initiating boundary transfers.
- 47. Detailed assessment of the costs of growth has been undertaken to understand the impact of enabling more growth areas on the Council and Hamilton ratepayers.
- 48. The Government's Going for Housing Growth policies will place additional pressure on existing environmental limits and compliance standards. Servicing new areas and delivering infrastructure, including the consenting process, present operational risks. Financial implications are unbudgeted, and cross-boundary political risks require collaboration and agreement with Future Proof partners. If these risks cannot be mitigated, they jeopardize Councils ability to manage SR5.
- 49. Central Government's proposed moratorium on current and future Council-led plan changes has the potential to impact Councils ability to support urban growth. This could affect work regarding Rototuna Town Centre and the Percival Road enclave.

Strategic Risk 6 - Political Changes Negatively Impact Strategic Direction

- 50. This remains at a residual risk rating of Extreme. This sits outside of our appetite.
- 51. As previously reported, the risk rating is due to the current Government progressing its significant work programme of legislative change, which will result in significant and fundamental changes to local government work programmes and legislative obligations.
- 52. The upcoming local government elections also add further uncertainty to the future strategic direction of council, with at least 5 new elected members expected. This may result in a council that wishes to change the existing strategic direction that the organisation is following. There is likely to be some delay to any new strategic direction whilst elected members undertake the necessary induction process.

Three Waters

- 53. On 29 May 2024 the Council resolved the establishment of a joint Council Controlled Organisation between Hamilton City Council and Waikato District Council to own wastewater and drinking water assets and deliver water services.
- 54. Over the next 12 months, work to get the company operational will be overseen by an Establishment Board which has been in place from July 2025. They will guide the transfer of staff, assets, liabilities, consents, contracts and land to the Council Controlled Organisation, subject to a transfer agreement. This includes the identification, valuation and transfer of all water assets and water-related debt for both councils.
- 55. This change to delivery model for a core council service has significant impacts on the scale, function and form of Council and ultimately its strategic direction.

Going for Housing Growth Programme and Resource Management Reform

- 56. The Government is pursuing its Going for Housing Growth programme across this triennium which is structured around three pillars that make system changes to address the underlying causes of the housing supply shortage. These are:
 - freeing up land for urban development, including removing unnecessary planning barriers this includes requiring Tier 1 and 2 councils to enable 30 years of feasible housing capacity in district plans using 'high' population growth projections, enabling greenfield growth, enabling intensification in the right places and enabling a greater mix of uses across urban environments;
 - ii. improving infrastructure funding and financing to support urban growth. This includes replacing development contributions with a development levy system, making changes to improve the Infrastructure Funding and Financing Act, and improving the flexibility of targeted rates for growth infrastructure; and
 - iii. providing incentives for communities and councils to support growth.
- 57. The government is taking a phased approach to the reform of the resource management system including the introduction of the Fast-track Approvals Act 2024, The Resource Management (Freshwater and Other Matters) Amendment Act 2024, the Resource Management (Consenting and Other System Changes) Amendment Bill and the National direction programme.
- 58. The government has also announced that Phase 3 will be the replacement of the Resource Management Act 1991 with two new acts that clearly distinguish between land-use planning and natural resource management, while putting a priority on the enjoyment of private property rights. Each new act will be supported by one set of national direction, to ensure it is implemented by councils and others in an efficient, nationally consistent way. This national direction will also provide guidance on how to resolve conflicts between competing priorities. Phase 3 is anticipated to be delivered before the end of this parliamentary term.

- 59. It will narrow the scope of the resource management system to make clear what the system manages, and what regulation is covered by other legislation. It will define more closely what effects may be considered, while raising the threshold of effects that are permitted.
- 60. Council has no ability in how it chooses to respond to these changes, outside of submitting through any select committee or other submission process. Once these changes are passed into law, council will be required to give effect to them. This has an impact on how Council has traditionally planned and provided for growth. Historically, Council has had more control over the timing and sequencing of land being released for urban development, however the changes being progressed by Government are resulting in a more market-led approach with the aim of drastically increasing the supply of land and creating a more enabling approach to development. This presents challenges for Council in how it will plan for and service land and will require Council to look at alternative ways to deliver infrastructure as providing for all areas that will be enabled will be unaffordable.

Local Government 'Back to Basics'

- 61. The Government has agreed to reforms that refocus local councils on delivering essential services and core infrastructure, spending responsibly, and operating under greater scrutiny. This legislation is currently out for consultation and Council is providing a submission. The Government has also signalled that it will introduce new legislation by the end of this year to 'cap' rates.
- 62. As with the other legislative changes outlined above, Council has no ability in to choose how it responds. By law, we will need to give effect to these changes. This impacts on our agreed strategic direction in that the increased focus on 'core services' will mean that Council's investment priorities and long-term planning will need to change.

Strategic Risk 7 - Failure to deliver our Work Programmes

- 63. There is currently no change to the residual risk rating for this risk it remains at Medium.
- 64. Some supply chain issues remain but have been offset by additional resourcing in capital project delivery over the last quarter. Risks remain for components sourced from Russia/Ukraine, India/Pakistan, and the USA, though no major purchases are expected next quarter. Cost escalation continues to affect delivery, and US tariff increases are being monitored, with contingency funds available if needed. The establishment of the IAWAI team may also put pressure on Council's capital delivery portfolio, as the same resources are required for both delivery and IAWAI reporting. Commentary on cost escalation is covered under Strategic Risk 2.
- 65. Most vacancies in the delivery team have now been filled. Any gaps created through secondments will be managed by reshaping roles or engaging contractors. Consultant resources have also been engaged under the "breathe-in, breathe-out" model to ensure capital programme projects remain resourced.
- 66. Replacing specialist water project managers remains a challenge. Sector changes and the creation of water Council Controlled Organisations have made qualified staff hesitant to take up new roles while IAWAI Flowing Waters is being established. This is expected to ease over the next year, though some staff movement to IAWAI roles is likely to create churn for Hamilton City Council.
- 67. The establishment of the IAWAI water Council Controlled Organisation may also reduce the delivery team's capacity, as staff are required to support IAWAI alongside their existing programme and project responsibilities.

Organisational Risk 1 - Failure to Maintain Trust and Confidence of Iwi and Maaori

68. There is no change to the residual risk rating for this risk – it remains at Very High.

69. Further updates can be found in the Strategic Considerations section of this report below.

2025/26 JMA Work Programme – expected around September or Post Election

- 70. A scheduled strategic hui will be held 10 September involving Waikato Tainui and current Mayor and elected members. The strategic hui will determine strategic priority projects for the 2025/26 year.
- 71. Delayed election results (e.g. a recount) could impact the Joint Management Agreement (JMA) programme. It is intended that there is a JMA meeting early in the term ahead of the end of the year. The incoming Mayor will need to appoint three elected members to the JMA committee. Future meetings will be confirmed in the new year by the governance team in coordination with Waikato Tainui.

Organisational Risk 2 - Failure to Maintain Trust and Confidence of Stakeholders

- 72. There is no change to the residual risk rating for this risk it remains at Very High.
- 73. The Pre-election Report is a practical tool that helps connect Council with the community by making complex information easy to understand. It supports participation in the election by helping residents, voters, and potential candidates understand what Council does, how it's funded, and the challenges facing Hamilton Kirikiriroa.
- 74. By providing clear and accessible information without political influence, the report helps reduce the risk of confusion and misinformation during the election period. It provides, in addition to the audited Annual Reports and regular reporting to the Finance and Monitoring Committee, an up-to-date and transparent picture of Council's books.
- 75. By setting out the challenges facing Council and the city, the report seeks to shape the conversations that need to be had by candidates and the future Council and sets the expectation for the level of thought leadership required around the Council table.
- 76. Since its release in early July the report has attracted strong interest, with nearly 1,300 views on the Council website and more than 900 additional scans via the QR code included in the recent rates notice.

Department of Internal Affairs profiles

- 77. In mid-2025, Elected Members raised concerns in the SRAC over the planned publication of council profiles by the Department of Internal Affairs in July. The release of financial data without context, and comparisons within 'league tables' of grouped councils, risked public confusion. Unreasonable or unsubstantiated comparisons using the data risked potential reputational damage to Council.
- 78. One example, including revenue from growth, meant DIA's figures show Hamilton's year-on-year rates increase as a higher figure than traditionally reported. More concerning for the sector though, was the potential for confusion and misinformation during the election period, given the timing and lack of context provided with the measures.
- 79. A risk mitigation communication approach was developed which included the Chief Executive briefing the Waikato Times on Council's concerns over how the data was to be presented. Contextual information was sourced based on previews of the Department of Internal Affairs data. Council provided strong feedback and corrections to the Department of Internal Affairs prior to the publication of the profiles.
- 80. When the profiles were publicly released Council reviewed its data for accuracy and provided an update and commentary to media. A <u>page was added to Council's website</u>, providing context, background and additional information to give a fuller picture and support community understanding.

Myths and misunderstandings

81. The 'myths and misunderstandings' page on Council's website continues to be updated to provide one source of truth in response to misinformation and disinformation seen on social media channels.

Update on recommendations from 17 June meeting

- 82. The 'Other Independent Assurance Updates' report from the 17 June Strategic Risk and Assurance Committee meeting included a number of recommendations based on the communication audit undertaken by Arkus Communications.
- 83. The audit made three 'necessary' and seven beneficial recommendations, some of which were already current practice. One of the beneficial recommendations was to explore a newsletter to accompany the quarterly rates invoice, to provide a touchpoint between Council and ratepayers, especially those who may not follow Council's digital channels. The first newsletter Council koorero was sent with the first rates instalment for 2025/26. The topics included in the first edition are the Pre-election Report, Annual Plan, targeted rates and flood mapping updates. Clicks on the links and scans of the QR codes in the newsletter are monitored to assess its effectiveness.
- 84. The report also recommended introducing a resident survey to provide insights into perceptions of Council services. The first draft of the survey questions was presented to the Executive Leadership Team on 11 August, with next steps to engage with the wider organisation on the questions about specific services.

Misinformation - Elections

- 85. Misinformation continues to be a significant risk as we transition into the voting phase of the Elections 2025 Project. Inaccurate or misleading information has the potential to undermine public confidence in the electoral process and disrupt Council activities. To address this, we are actively monitoring public channels and community feedback to identify and respond to misinformation swiftly and effectively. A key part of our mitigation strategy involves ensuring that candidates are well-informed and have access to consistent, accurate information.
- 86. We are engaging directly with candidates through regular email updates that provide clear guidance on where to find verified information, respond to frequently asked questions from the community, and reinforce their obligations under the election protocols. This proactive communication helps reduce the risk of misinformation being unintentionally spread and supports candidates in their role as trusted messengers within their communities. In addition, we are publishing responses to official information requests on the "Stand" page of the Council website. This ensures transparency and equal access to information for all candidates, further supporting a fair and well-informed election process.
- 87. These efforts are part of a broader communications strategy that also addresses other key risks, including public understanding of the new voting process and perceptions around the Maaori ward. By maintaining open, consistent, and inclusive communication, we aim to build trust, support informed participation, and uphold the integrity of the election.

Interagency meetings

- 88. Regular meetings are held across the city with key stakeholders from community groups, non-government organisations, and central government to foster collaborative relationships and front foot issues as they may arise.
- 89. The interagency groups are: West Hamilton Interagency Local Group, Fairfield and Enderley Resilience Network (FERN), Hamilton Central Business District (CBD), and Rototuna and Southeast (Hamilton East/Hillcrest). Planning is underway for a Hamilton South interagency group.

90. A further network hui has been developed for the street community which brings together key frontline agencies and those who identify as part of the street community.

Co-design community input into plan development

- 91. Where possible, a co-design approach to community engagement is facilitated, and specifically in development of community plans.
- 92. This has been exemplified in the development of the Rangatahi Action Plan (adopted June 2025), Hamilton Age Friendly Plan (adopted June 2025), and Welcoming Plan (adopted August 2025). A Disability Advisory Group has been formed with their inaugural meeting in August 2025. They will guide the review of the Disability Action Plan, along with providing advice to staff and elected members on matters of interest/impact to the disabled community.

Organisational Risk 3 - Failure of Critical Assets

- 93. There is no change to the residual risk rating for this risk it remains at very high. This sits outside of the risk appetite of Averse.
- 94. A dedicated programme is delivering the Renewals and Compliance budget for the first three years of the 2024–34 Long-Term Plan. This is based on projects in the latest Activity Management Plans and updated information such as reactive renewals. Delivery is expected to increase in the current financial year as momentum builds after earlier delays linked to New Zealand Transport Agency funding decisions.
- 95. Staff will continue to monitor asset needs and adjust the Renewals and Compliance programme, so the highest-priority projects are progressed. Decisions will consider asset criticality, links with maintenance, and alignment with both funded and unfunded capital projects.
- 96. Adequate funding and flexibility across the three-year period will support the management of critical asset risks. Unused Year 1 budget for reactive renewals has been retained and remains available if needed.
- 97. Over the past year, a number of asset management improvement projects have been delivered for community groups and facilities. These are nearing completion, and a refreshed multi-year programme is being prepared for the next triennium. This will include prioritised improvements to strengthen risk management.
- 98. Asset Management Plans will also be updated over the coming months as part of preparing the 2027–37 Long-Term Plan. These updates are expected to place greater emphasis on critical asset classification and management and may introduce new controls to further address this risk.

Organisational Risk 4 – Low Staff Engagement

- 99. This risk has been assessed with a residual risk rating of Medium.
- 100. Since the last report, many activities forming part of our people strategy have been progressed, relating to the risk of 'low staff engagement' either directly or indirectly.
- 101. We continue to make good progress towards a new Human Resources Information System Platform that will replace our current payroll system that's no longer fit for purpose and out of date with modern payroll practices. Our new system, scheduled to Go Live in March/April 2026, will enhance the employee experience, generate efficiencies, ensure compliance and future proof the organisation. With the system design workshops now complete, key processes like leave, pay, and timesheets have been captured and have provided the foundation for how our new system will be configured.

- 102. We have recently surveyed all staff as part of our annual employee engagement survey with high participation (91%) and a positive increase in employee engagement (69%), up 2% from 67% last year and up 4% from 65% following our recent pulse check in March. Our current focus is distributing engagement results to people leaders with a strong emphasis on translating insights into taking meaningful action. As an organisation, we continue to see positive trends around work flexibility, as well as learning and development. Taking action and improving people's perception around open and honest communication are things we need to continue to work on.
- 103. Our 'Hire to Inspire' programme continues to make good progress to improvement our processes associated with recruitment, onboarding, and induction for new employees.
- 104. We continue to see strong engagement in psychological safety training, including additional sessions for leaders as well as an uptake in online learning modules also remaining high. Psychological safety is a key part of our people strategy and provides a strong foundation for a safe and supportive workplace. 193 (71%) people leaders at Hamilton City Council have now completed the training.
- 105. Lifting leadership capability and effectiveness remains a strategic focus as our leaders help shape the culture and organisation we want to be. We have several learning pathways that our leaders can access, with Puutake Cohorts 3, 4, 5 in progress (existing leaders) and Koronga Cohorts 1 and 2 both in progress (self-development). We are also looking to develop a Coaching Communities Pilot to align and enhance our Hei Raakei Raukura Programme, connecting our people who have journeyed through these programs, which we plan to launch before the end of 2025.
- 106. Our Way of Working Goal setting and development planning are now underway for quarter one. Our People Performance and Culture Group is working collaboratively to build a goal tree within Culture Amp, that will align to Council's key objectives. This will support alignment across groups and units.

Emerging Risks

Update on Impact of Golden Clams on Infrastructure

- 107. While there have been no major changes in the physical spread of the invasive gold clam (Corbicula fluminea) in the Waikato River since the last update provided to the committee in June 2025, recent investigations have identified a potential link between the presence of the species and changes in water chemistry that may affect some drinking water treatment processes.
- 108. Freshwater Gold Clams (Corbicula Fluminea) were first detected in the Waikato River in early 2023. Since that time populations of the species have been found along the majority of the Waikato River. The clam is an unwanted organism under the Biosecurity Act 1993 and the Ministry for Primary Industries are the lead agency in this biosecurity response.
- 109. There are no known health risks associated with our treated water due to clams being present in the river. Hamilton's drinking water remains safe.
- 110. Staff have increased planned inspections of critical assets and process areas at both the Waiora Water Treatment Plant and Pukete Wastewater Treatment to identify and remove any clams as early as possible to minimise impacts on infrastructure and process performance. Any clams observed have been removed and disposed of in accordance with Ministry for Primary Industries advice.

- 111. Maintenance inspections of river water intake assets indicate that the number of adult size gold clams observed are slowly increasing, however, the current programmed maintenance appears to be effective at managing the clam populations to avoid any detrimental impact on asset functionality. This maintenance has increased in frequency but is currently being managed within existing budgets.
- 112. Ministry of Primary Industries and response partners including Council staff have developed a long-term management plan for Corbicula. The focus of the plan is to:
 - i. contain Corbicula fluminea to the current known areas of the Waikato River catchment area: and
 - ii. reduce its impact where feasible and develop tools to achieve this.
- 113. Recent information has been received from Waikato Regional Council that there could be a linkage between the presence of Corbicula in the Waikato River leading to changes in water chemistry, including decreased levels of Calcium. These changes could have played a role in the ability of drinking water treatment plants along the Waikato River to remove arsenic; leading to the challenges experienced across multiple Waikato River drinking water suppliers including Watercare during early December 2024 relating to arsenic concentrations in drinking water. Further research is being undertaken by Waikato Regional Council and our staff are working with these technical experts to validate the linkage and investigate potential solutions. We will keep you updated as this research progresses.

Waikato Regional Council Wastewater Discharge Compliance Update

- 114. Staff received four formal non-compliance notifications from Waikato Regional Council (WRC) relating to wastewater incidents during the 2024/25 financial year.
- 115. Staff notify WRC of all known wastewater overflows. These are all reviewed and investigated separately by both Hamilton City Council and WRC staff. The discharge of untreated wastewater to the environment is a prohibited activity in the Waikato Regional Plan and a breach of the Resource Management Act 1991. The formal non-compliance notifications from WRC indicate a decreasing tolerance by WRC of untreated wastewater overflows. We will continue to keep you updated of any changes to WRC's approach.

Ranfurly Gully – Formal Warning received 16 May 2025

116. The warning relates to events that occurred on 27 November 2024, where untreated wastewater entered the environment due to a break in a wastewater pipe located in Ranfurly Gully, Hamilton, allowing contaminants to enter an un-named stream which is a tributary of the Waikato River.

<u>Tauhara Park – Formal Educational Letter with Written Directive received 18 June 2025</u>

117. The educational letter relates to events that occurred on 21 May 2025, where untreated wastewater entered the environment due to damage to a wastewater pipe during bridge construction works. WRC acknowledged Council's timely response and recommended improvements to contractor processes for locating underground utilities to prevent future incidents; also advising that events of this nature in future may have different compliance outcomes and reminded Hamilton City Council of Council's responsibilities with contractors identifying underground utilities.

<u>Greta Street – Formal Warning received 23 June 2025</u>

118. The warning relates to events that occurred on 24 April 2024, where untreated wastewater entered the environment due to a blockage in the wastewater network leading to an overflow of wastewater entering the environment via the stormwater system at Greta Street leading to the Mangakootukutuku Stream. Unfortunately, when Council were advised of this issue, it was incorrectly prioritised and not urgently responded to. Staff have worked through lessons learnt from this matter and have reviewed systems and processes.

Ranfurly Gully - Formal Investigation Underway

119. WRC notified Hamilton City Council on 23 June 2025 that it is undertaking a formal investigation into an overflowing wastewater manhole in Ranfurly Gully on 26 March 2025. This investigation will likely include requests from WRC for further information and formal interviews of staff. The possible outcomes of the investigation include, Formal Warning, Abatement Notice (directive to undertake or stop an action to minimise risk to the environment), infringement Notice (fine) or Prosecution (court action).

Financial Considerations - Whaiwhakaaro Puutea

120. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

121. Staff confirm that the recommendation complies with the Council's legal requirements.

Risks – Tuuraru

122. This report details significant updates to the strategic and organisational risks. There are no known risks associated with the decisions sought in this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 123. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 124. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 125. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways.

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a medium level of significance.
	Given the medium level of significance determined, the engagement level is medium. No engagement is required.
He Pou Manawa Ora - Pillars of Wellbeing	Staff have considered He Pou Manawa Ora and have identified the following points of significance:
	POU ONE: He Pou Manawa Koorero Pillar of History
	Iwi/Mana whenua engagement and participation in projects that provide opportunities for cultural art, historical narrative inclusion:
	 Eastlink project providing historical story-telling and cultural art opportunities. This project is led by external consultants

- Aurora playground. Mana whenua working with private developer to design a playground based on local cultural narratives
- Rototuna Pou
- Wellington Beach
- Hinemoa Park
- Donny Park
- Embassy Theatre
- Central Library Façade

POU TWO: He Pou Toorangapuu Maaori | Pillar of Unity Tiriti Partnership satisfaction survey update

University of Waikato researchers Dr Dara Dimitrov and Rogena Sterling have been engaged to undertake research to measure councils performance against Te Tiriti o Waitangi and also He Pou Manawa Ora. The research will include interviews with Iwi, mana whenua and maataawaka. The survey results will provide a overview of council performance from both a He Pou Manawa Ora performance lens and Tiriti O Waitangi measure.

Elections work programme

Council staff continue to collaborate with our iwi, mana whenua, maataawaka, partner councils and community groups to promote the upcoming elections and an increase in voter turnout among the Maaori population and communities in the upcoming elections. To date all partners have submitted their respective elections communication and campaign plans to Waikato Tainui comms GM for review. The aim is to work collaboratively across boundaries supporting each other where duplication exists, through consistent messaging.

CCO consultation and submissions

Mana whenua representation update

Council continue to seek mana whenua engagement on area of interest to mana whenua wellbeing in Kirikiriroa. Current work includes;

- Hau Whenua Cultural Design Framework
- Parks and reserves 3YR management plan
- Policy programme review
- Mana whenua representation review

POU THREE: He Pou Manawa Taurikura | Pillar of Prosperity

Puna Paakihi

In collaboration and partnership with Waikato Tainui we will be hosting a procurement evening targeting local Maaori/tribal businesses operating in Kirikiriroa, Waikato region

Maanawatia a Matariki

The Maanawatia a Matariki was very successful. Between 20-25,0000 people attended the event at Innes Common. Members of the public thoroughly enjoyed the event and the team are excited for next years event and how they can improve the event.

	POU FOUR: He Pou Manawa Taiao Pillar of Restoration					
	Mana whenua have been engaged in a number of resource management projects over the past 3 months where cultural environmental knowledge has been sought to include cultural environmental protections within application and projects. These include cultural values assessments being done by mana whenua.					
	Te Rapa North Industrial Re-zone					
	Waitawhiriwhiri CVA					
	Lizard management plan					
	Kirikiriroa erosion stabilization project					
	Wastewater bulk storage engagement					
	Monthly Wai Waananga					
	Climate change engagement hui with Waikato Tainui					
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the Climate Change Policy for both emissions and climate change adaptation. Staff have determined no adaptation or emissions assessment is required.					
Disability Action Plan	Works related to the Disability Action Plan relate to Organisational Risk 2, of particular significance this reporting period - A Disability Advisory Group has been formed with their inaugural meeting in August 2025. They will guide the review of the Disability Action Plan, along with providing advice to staff and elected members on matters of interest/impact to the disabled community.					

Attachments - Ngaa taapirihanga

Attachment 1 - Strategic and Organisational Risk Register - September 2025

Strategic & Organisational Risk Register

Q1 2025/26

How to read this document

Strategic risks are defined as 'the risk of an event or impact that is external to Council and could impact the organisation's strategies, including Council's Financial Strategy, Long Term Plan and 30 Year Infrastructure Strategy'.

Organisational risks are defined as 'the risk of an event or impact that is internal or external to Council and could impact the whole organisation'.

Pages 3 and 4 provide a summary of strategic and organisational risks. Movement from the previous quarter is shown by the following indicators:

Indicator	Description	Indicator	Description
\longrightarrow	No change from previous		Increase in residual risk rating from previous
	New risk	•	Decrease in residual risk rating from previous

Pages 5 onwards provides additional detail, including the existing controls and treatment plan updates, for each strategic and organisational risk.

The residual risk rating is determined following assessment of likelihood and consequence for each risk category using the following matrix. The maximum residual risk rating from this process is then reported on:

		CONSEQUENCE					
		Minor	Moderate	Serious	Major	Catastrophic	
	Almost						
	Certain	Н	Н	VH	E	E	
	Likely						
ے ا		M	н	VH	VH	Е	
9	Possible						
LIKELIHOOD		L	М	Н	VH	VH	
	Unlikely						
		L	М	M	Н	VH	
	Rare						
		L	L	L	M	Н	
		L = Low	M = Medium	H = High	VH = Very High	E = Extreme	

Strategic Risk Name	Risk Description	Risk Appetite	Risk Owner	Residual Risk Rating
SR1 Failure to respond to a disaster, crisis, or emergency	A lack of preparedness leads to a failure to respond or an ineffective response to a disaster, crisis, or emergency resulting in compromised community resilience. Links to SR3	Cautious	Helen Paki	Very High
SR2 Significant negative impact on financial strategy	A major economic or financial shock event negatively impacts Council's financial strategy, fiscal and monetary position resulting in significant financial pressure on Council. Links to SR7	Cautious	Gary Connolly	High
SR3 Loss of information or access to systems and services	In the event of a cyber-attack, IT service or technology asset failure there is a risk that confidential information and / or Council services are compromised or fail and / or there is a loss of information resulting in ongoing reputational, legal, and financial consequences. SR3 links to SR1.	Neutral	Sean Hickey	Very High
SR4 Failure to respond to climate change	Climate change causes changes to our community and City we have not anticipated or planned for which will negatively impact on the wellbeing of our community.	Cautious	Blair Bowcott	Very High
SR5 Failure to deliver growth outcomes	Step-changes in growth requirements or demand or consequences of growth means Council can't deliver expected growth outcomes resulting in increased costs and the perception that growth delivers negative outcomes for the community.	Neutral	Blair Bowcott	High
SR6 Political changes negatively impact strategic direction	Political stakeholders make unanticipated changes or decisions or take actions that negatively impact Council's strategic direction resulting in significant changes to Council's form or function, resourcing and work programme.	Receptive	Blair Bowcott	Extreme
SR7 Failure to deliver our work programmes	An ongoing shortage of necessary resources (people and materials) means we are unable to deliver our work programmes resulting in constrained growth and negative long-term outcomes for the community. Links to SR2	Neutral	Andrew Parsons	Medium

Organisational Risk Name	Risk Description	Risk Appetite	Risk Owner	Residual Risk Rating
OR1 – Failure to Maintain Trust and Confidence of Iwi and Maaori	Deterioration of relationships with iwi and Maaori could result in a loss of credibility and impact Council's reputation. This will jeopardise delivering immediate core projects in a timely and financially sustainable way and reduce what we achieve over generations.	-	Janet Carson	Very High
OR2 – Failure to Maintain Trust and Confidence of Stakeholders	Deterioration of critical relationships means Council may be unable to deliver its outcomes for the city; in a timely and financially sustainable way. This may result in reduced access to funding streams, low community engagement, and social disconnect and discontent.	-	Janet Carson	Very High
OR3 Failure of critical assets	Incorrect investment (timing and/or amounts) results the unexpected failure of critical assets (loss of levels of service). Resulting in loss of service delivery, financial impact, environmental damage.	Averse	Andrew Parsons	Very High
OR4 – Low Staff Engagement	A lack of adequate people resource, unclear direction and strategy, inadequate business tools, systems and processes or ineffective leadership could lead to low staff engagement resulting in fatigue, health and safety issues, poor performance and retention issues.	-	Sean Hickey	Medium

SR1 Failure to Respond to a Disaster, Crisis, or Emergency

A lack of preparedness leads to a failure to respond or an ineffective response to a disaster, crisis, or emergency resulting in compromised organisational and community resilience. Links to SR3 Loss of information or access to systems.

Risk Owner	Helen Paki	Category	Disaster Recovery/Business	Risk Appetite	Cautious - 2
			Continuity		

Inherent Risk Rating

Very High – Possible x Catastrophic

Existing Controls

- 1. Annual external (NEMA) capability assessments
- 2. Collaboration on emergency management response approach
- 3. Co-located EOC in a dedicated leading-edge centre
- 4. Early warning processes are in place at a national and regional level
- 5. Emergency Management Framework
- 6. Emergency management training program
- 7. Robust emergency exercise schedule in place
- 8. Council has established an Incident Management Team
- 9. Availability of technical expertise
- 10. Regional and national emergency services relationship management
- 11. Council has responsibility for climate change response
- 12. District Plan
- 13. Asset Management. 2024-2054 Infrastructure Strategy is in place.
- 14. Asset Management.2024-34 Activity Management Plans int. ext. reviewed
- 15. Asset Management. Manage, monitor, operate and maintain critical assets
- 16. Asset Management. Plan policy in place to set standards
- 17. Risk Management Policy
- 18. Enterprise Business Impact Analysis (EBIA)
- 19. Quarterly Operational Risk Reviews
- 20. Security Risk Assessments
- 21. Business Continuity and Disaster Recovery (BCDR) Processes
- 22. Organisational Resilience Policy

Residual Risk Rating		Very High – Pos	sible x Major	
Responsible	Kelvin Powell		Risk Treatment Option	Mitigate
Manager(s)	Robbie Hermann			
	Michelle Hawthorne			
	Nicholas Whittaker	,		

Treatment Plans

Treatment Plan	Previous Update	Update – June 2025
Implementation of the	June 2025	September 2025
2024/25 Capability	11 of the 12 actions are long term	No change
Assessment Workplan	(3 year) activities - all are under	
	action, on track and are reported	
	to the Community and Natural	
	Environments Committee. The	
	12th action is due to be completed	
	by the end of 2025.	
Adopt and implement	June 2025	September 2025
accepted recommendations	A further 22 recommendations	Since May a further 39
from SRAs by June 2026	being completed since March	recommendations have been
	2025, leaving 41 either in progress	completed. The remaining 12
	or not started.	recommendations are all now in

		progress. While physical works are due to be completed this calendar year several recommendations are dependent on the approval of a Security Policy. This will not be completed until early 2026, therefore the due date has been amended to 30 June 2026.
Review of Organisational Security Risk Assessment (OSRA) by June 2025	June 2025 No update	September 2025 Sustained progress is being made. Of the 10 Recommendations made 3 High Risk recommendations have been completed, 4 High Risk recommendations are underway, 2 Medium Risk recommendations are underway and 1 High Risk recommendation has not been started (it will be start following the completion of other recommendations). All of the actions arising from the organisation wide security risk assessment are ongoing and will take multiple years to complete

Strategic Risk 2 SR2 Significant Negative Impact on Financial Strategy A major economic or financial shock event negatively impacts Council's financial strategy, fiscal and monetary position resulting in significant financial pressure on Council. Links to SR7 Failure to deliver our work programmes **Risk Owner Gary Connolly** Category Financial Risk Appetite **Inherent Risk Rating** Very High - Likely x Major **Existing Controls** 1. Monitoring of economic trends with external advisors 2. Monitoring of financial performance and projections by Governance 3. Monitoring of local and global economic trends 4. Financial capacity - access to standby credit facilities 5. Financial planning scenario and sensitivity modelling 6. Ability to urgently reprioritise and reduce capital spending 7. Ability to urgently reprioritise and reduce community LOS spending 8. Financial policies 9. Governance report review 10. Assurance - independent assurance (internal audit) activities 11. Assurance - external audit of financial statements and long term plans 12. Monitoring of financial performance and projections by Executive 13. Financial planning and forecasting 14. Independent and Professionally Qualified Finance Staff 15. Fraud and Corruption Management Policy 16. Financial capacity - sufficient debt headroom 17. Financial performance reporting 18. Financial delegations' framework and segregation of duties **Residual Risk Rating** High - Possible x Serious Responsible Manager(s) Sarah Vaz **Risk Treatment Option** Accept **Greg Carstens** Tiki Mossop **Treatment Plans** No identified treatment plans, as the risk treatment option is to Accept this risk

Strategic Risk 3							
SR3 Loss of Information or Access to Systems and Services							
In the event of	f a cyber	-attack,	IT service or tec	hnology asset failure	ther	e is a risk tha	at confidential
information ar	nd / or Co	ouncil se	ervices are comp	promised or fail and /	or th	nere is a loss	of
information re	sulting in	n ongoir	ng reputational,	legal, and financial co	nsec	quences.	
SR3 links to SR	1 (Failur	e to res	pond to a disaste	er, crisis, or emergen	cy).		
Risk Owner	Sean H	ickey	Category	Disaster	Ris	k Appetite	Neutral - 3
				Recovery/Business			
				Continuity			
				Technology			
Inherent Risk	Rating			Very High – Possible	x Ca	atastrophic	
Existing Contro	ols						
A separate pul	blic exclu	ded rep	ort is taken to th	ne Strategic Risk and A	4 <i>ssui</i>	rance Comm	ittee which
provides furthe	er details	about :	the Organisation	n's Cyber Security and	Risk		
Residual Risk I	Rating			Very High – Possible	x M	ajor	
Responsible		Ron Ra	hman	Risk Treatment		Mitigate	
Manager(s)	Manager(s) Option						
Treatment Plans							
A separate pul	blic exclu	ded rep	ort is taken to th	ne Strategic Risk and A	4ssui	rance Comm	ittee which
provides furthe	er details	about	the Organisatior	n's Cyber Security and	Risk	Improveme	nt Schedule

Strategic Risk 4 SR4 Failure to Respond to Climate Change Climate change causes changes to our community and City we have not anticipated or planned for which will negatively impact on the wellbeing of our community. Category Climate Change Risk Appetite **Risk Owner Blair Bowcott** Cautious - 2 **Inherent Risk Rating** Very High – Likely x Major **Existing Controls** Activity Management Plans incorporate climate change considerations. 2. Our Climate Future: Te Pae Tawhiti o Kirikiriroa Climate Change Policy Council has responsibility for climate change response 5. Council Climate Change Risk Assessment 6. Hamilton Urban Growth Strategy 7. Access Hamilton - transport strategy 8. Future Proof Strategy Open Spaces Strategy 10. Nature in the City strategy 11. Stormwater Master Plan 12. Long term Plan (LTP) and Annual Plan reviews 13. District Plan 14. Changes to District Plan (plan changes) where required **Residual Risk Rating** Very High – Likely x Major Responsible Manager(s) Charlotte Catmur **Risk Treatment Option** Mitigate Karen Saunders Poppy Barran **Donald Matheson Treatment Plans Treatment Plan Previous Update** Update - September 2025 Staff learning and June 2025 September 2025 development programme This workstream has been delayed The roll out of the climate change for climate change so that it could be reviewed by the education programme has started at developed and Prioritisation Steering Group to Council. Climate Fresks have been implemented by June ensure that the change impact on scheduled for the whole financial year 2026 the organisation is understood and new resources are under alongside other change programmes. development to support staff and Pilot Climate Fresk workshops have Councillors to understand the risks been completed, including for the and opportunities in different areas of Executive Leadership Team. There Councils responsibilities. has been good engagement in the pilot sessions and support from ELT to roll out the training to leaders. The timeline for delivery has been extended to June 2026 due to the delay in being able to commence the programme. 3-year Climate change June 2025 September 2025 maturity and disclosure The Climate Change Maturity The climate change maturity roadmap programme developed Roadmap was approved by the continues to be implemented and a and implemented by 30 Executive Leadership Team and key summary of the actions delivered over June 2027 the last year are included in the Our workstreams have commenced. The education and climate change risk Climate Statement 2024/2025 report.

treatment actions are workstreams

	in the roadmap. Other actions	
	includes the review of the Climate	
	Change Policy Appendix and	
	,	
	guidance to improve the flow of	
	information for decision making and	
	a review of our emissions reduction	
	plan for Council.	
Hazard and Climate	June 2025	September 2025
Change Risk Programme -	The Resilience Explorer software has	The first iteration of Hamilton City
phase one completed by	been procured by Council. The first	Council's Resilience Explorer tool has
30 June 2027	stage is getting all relevant hazard	been developed. It includes key
	and asset data loaded into the	climate change scenarios and data as
	software, this includes Hamilton City	well as Council's natural hazard data.
	Council, Waikato Regional Council	Over the next 6 months staff will use
	and national data. Climate change	Resilience Explorer to support the
	data from NIWA will also be included	assessment of climate change risk for
	and help us to assess the impact of	Councils assets.
	climate change on our city and our	
	assets.	
Implement the Local	June 2025 (new TP)	September 2025
Emissions Data Platform	Council has signed up to the Local	A draft emissions profile for
by December 2025	Emissions Data Platform along with	2023/2024 has been calculated. There
	18 other Councils. This platform will	are improved methodologies for most
	provide a consistent methodology	sectors, but challenges still exist for
	for calculating annual citywide	the agriculture data. This is being
	greenhouse gas emissions. It will also	worked through before a final
	includes a series of decarbonisation	emissions profile can be presented.
	pathways that we can use to test the	
	impact of different policies and	
	actions on our greenhouse gas	
	emissions.	

SR5 Failure to Deliver Growth Outcomes

Step-changes in growth requirements or demand or consequences of growth means Council can't deliver expected growth outcomes resulting in increased costs and the perception that growth delivers negative outcomes for the community.

Risk Owner	Blair Bowcott	Category	Community	Risk Appetite	Neutral - 3
			and		
			Wellbeing,		
			Strategic		

Inherent Risk Rating

Very High - Possible x Major

Existing Controls

- 1. Hamilton Urban Growth Strategy
- 2. Future Proof Partnership and work programmes
- 3. Engagement with Central Government
- 4. Engagement with neighbouring Councils on strategic growth planning
- 5. Preparation of growth programme business cases
- 6. Sustainable Communities Unit
- 7. Communications and engagement strategies for Growth
- 8. National Policy Statement Urban Development
- 9. Changes to District Plan (plan changes) where required
- 10. Zoning Decision Process
- 11. Submissions on any neighbouring councils plan changes.
- 12. Management of Resource Consent applications
- 13. Out of Boundary Principles
- 14. Private Developer Agreements
- 15. Monitoring the broader environment
- 16. HCC Growth and Development Contributions model
- 17. Long Term Plan (LTP) and Annual Plan reviews
- 18. Developer Relationship Management

5 11 15115 1				
Residual Risk Rating		High – Possible	e x Serious	S
Responsible	Karen Saunders	Risk Treatment		Mitigate
Manager(s)	Greg Carstens	Option		
	Mark Davey			
	Hannah Windle			
Treatment Plans				
Treatment Plan	Previous Update		U	odate – September 2025
	·			
Make changes to the	June 2025		Septemb	er 2025
district plan as required	PC14 further submiss	ions closed 16	PC14	
by law.	April. Hearing expect	ted early 2026.	Staff have lodged evidence and a	
	NOR – Rotokauri Stra	tegic	hearing has been set for October 2025	
Key changes to the	Infrastructure has be	en notified and	NOR – Rotokauri Strategic	
district plan are noted.	a hearing is expected	late 2025	Infrastru	cture – Statements of evidence
	Private Plan Change 3	l7 – Te Rapa	on behal	f of the Requiring Authority
	North – notified		were lod	ged on 27 June 2025,
	Plan Change 15 – Tuu	ımata –	respondi	ng to matters raised in the
	extension of time granted by		Section 4	2A report by territorial
	Minister		authority	specialists and through
	Consultation on re-zo	oning Percival	submissi	ons. Submitter evidence was
	Road has commence	d	lodged o	n the 25 July. A hearing has

been set down for October 2025

	Fast-track development applications	Private Plan Change 17 – Te Rapa
	are being worked on, cost recovery	North – Industrial - Further submission
	agreements are being negotiated.	period closed on the 9 July. Staff are
	Initial applications are due to be	preparing a s42a report responding to
	lodged with the EPA Q4 2025 for	submission. A hearing has been set
	approval	down for December 2025
	Working with appellants to resolve	Plan Change 15 - Tuumata - extension
	appeals on Plan Change 9 related to	of time granted by Minister until 18
	heritage and significant natural	October 2025
	areas.	Fast-track development applications
		are being worked on, cost recovery
		agreements are being negotiated. Initial
		applications are due to be lodged with
		the EPA Q4 2025 for approval.
		Following the final decisions on PC9
		staff are working with appellants to
		resolve 4 appeals. Court assisted
		mediation is not required, with one of
		the appeals being settled with the
		potential to settle the remaining three.
		Appeals to Private Plan Change 13
		have now been settled and staff are
		starting the process to make the
		provisions operative.
Monitoring the release	June 2025	September 2025
of the Resource	Engaging and providing feedback to	Central Government's replacement of
Management Reform	the Ministry for the Environment	the RMA and the decision to stop
and amendment bills	case by case on reform programme	current and future plan changes has the
	Awaiting updated national policy	potential to create uncertainty and
	statements (Q3)	impact Councils ability to support urban
	Waiting formal consultation to	growth.
	commence on RM Reform late 2025.	
Continuously responding	June 2025	September 2025
to changes in	We submitted on Resource	Council approve the Submission to the
Government policy	Management (Consenting and Other	four packages of RMA National
	System Changes) Amendment Bill.	Direction
	HCC presented to the Select	i.Package 1: Infrastructure and
	Committee in March 2025 We expect	Development
	consultation to commence shortly on	ii.Package 2: Primary Sector;
	further changes to RMA National	and
	Policy Statements.	iii.Package 3: Freshwater
	, ·	iv.Package 4: Gowing for Growth
		, , , , , , , , , , , , , , , , , , , ,

SR6 Political Changes Negatively Impact Strategic Direction

Political stakeholders make unanticipated changes or decisions or take actions that negatively impact Council's strategic direction resulting in significant changes to Council's form or function, resourcing and work programme.

Risk Owner	Blair Bowcott	Category	Political	Risk Appetite	Receptive - 4
			Service		
			Delivery		
			Strategic		

Inherent Risk Rating

Extreme – Almost Certain x Major

Existing Controls

- 1. Collaborative governance group meetings
- 2. Culture, expectation, and policies of HCC organisation
- 3. Monthly ELT discussion to ensure awareness of strategic initiatives
- 4. Participation in national and regional advisory groups
- 5. Participation in processes to influence government policy direction
- 6. Proactive steps taken at the start of each local government triennium
- 7. Regular Council briefings
- 8. Regular engagement with stakeholders at political and executive level
- 9. Regular meetings with Government Ministers and MPs

Residual Risk Ra	ating		Extreme - Almost C	Certain x Major
Responsible Manager(s)	·		Mitigate	
Treatment Plan	s			
Treatment Plan		Previous L	Ipdate	Update – September 2025
3 Waters Reform Treatment Plan	Waikat decisio		•	September 2025 Council approved the establishment of the joint WDC/HCC Waters CCO on 29 May 2025. The programme is on track, recent highlights include the submission and approval of the Water Services Delivery Plan, secondment of core team into IAWAI.
Keep up to date with political changes	politica legislat In addit result c RM refo	Intinue to keep a close I environment noting ive change that is curtion to the 3 waters refer the Going for Housi orm and upcoming ch	rently impacting council. Form, changes as a ng Growth programme, anges to the Local of undamentally change	pieces of legislative change,

SR7 Failure to Deliver our Work Programmes

An ongoing shortage of necessary resources (people and materials) means we are unable to deliver our work programmes resulting in constrained growth and negative long-term outcomes for the community. Links to SR2 Significant negative impact on financial strategy.

Risk Owner Andrew Parsons Category Financial People Service Delivery Appetite Neutral - 3

Inherent Risk Rating Extreme – Almost Certain x Catastrophic

Existing Controls

- 1. Established procurement planning frameworks
- 2. Forward works pipeline visibility and supply chain engagement
- 3. Procurement optimisation

Residual Risk Rating

- 4. Utilising panel arrangement for procurement and engagement
- 5. Portfolio Framework in place
- 6. Resource management tool for Project Management
- 7. Scope of projects reduced to fit the budget
- 8. 3 yearly LTP Capital Portfolio Programme

residual filor flating		Wediam Stinkery x Serious			
Responsible	Kelly St	okes	Risk Treatment		Mitigate
Manager(s)			Option		
Treatment Plans					
Treatment Plan		Previo	us Update	Up	date – September 2025
Optimise procurement proc and contracts to enable HCC a construction industry clier	to be	June 2025 Progress on assessed on	,	resource	olishment of IAWAI places pressure on the Council's
choice.		basis.		the same	roject delivery portfolio, given resources are being asked to both the capital delivery

Medium – Unlikely x Serious

portfolio and reporting through and

governance by IAWAI.

OR1 Failure to Maintain Trust and Confidence of Iwi and Maaori

Deterioration of relationships with iwi and Maaori could result in a loss of credibility and impact Council's reputation. This will jeopardise delivering immediate core projects in a timely and financially sustainable way and reduce what we achieve over generations

Risk Owner Janet Carson Category Community Risk and Wellbeing **Appetite** Reputation Very High – Possible x Major

Inherent Risk Rating

Existing Controls

- Key relationship holders identified
- Maaori relationship development, monitoring, and maintenance
- 3. Effective public communication
- 4. Waikato-Tainui Co-Governance Forum
- 5. He Pou Manawa Ora
- Maangai Maaori
- 7. Amorangi Maaori Business Unit
- 8. Governance Report Review

Residual Risk Rat	ing		V	ery High – Possible x Ma	ajor
Responsible		Muna Wharawhara		Risk Treatment	Mitigate
Manager(s)		Nicole Nooyen		Option	
Treatment Plans					
Treatment Plan		Previous Update		Update – Septem	ber 2025
Deliver the 2025/26 He Pou Manawa Ora Programme	New		our Tiriti P over the c partners a Annual pla	vi stakeholder survey ha Partners. The results will oming weeks before bei nd the wider organisation nning has begun to ide	ing shared with our JMA on. on. ntify specific actions for
			this month workplan, Trial ender Following out to mo Te Tiriti of have been cohort, wi Te Tiriti Poreviewed adoption.	n. The advisory group hat but awaitng sign off. d in June/July for the W the trial report we will be re staff late 2025, early Waitangi workshops for booked in for Novembeth a third cohort booked licy is under review curand this will come to IPS	pe looking to roll this 2026. I senior people leaders er 2025 for the second d for March. rently. ELT have
Deliver the JMA Work Programme 2025/26	New			e r 2025 September JMA Commit e strategic priorities for	' '

OR2 Failure to Maintain Trust and Confidence of Stakeholders

Lack of timely and transparent engagement and poor stakeholder relationship management could lead to a failure to maintain the trust and confidence of key stakeholders resulting in reduced access to funding streams, low community engagement and social disconnect and discontent.

Risk Owner Janet Carson Category Reputation Political Risk Appetite

Inherent Risk Rating Very High – Possible x Major

Existing Controls

- 1. Key relationship holders identified
- 2. Media Management
- 3. Effective public communication
- 4. Relationship building of Elected Members
- 5. Regular engagement with stakeholders at political and executive level
- 6. Emerging trend analysis and horizon scanning
- 7. Misinformation Policy
- 8. Community Sentiment Reporting
- 9. Reactive responses and pre-bunking
- 10. Online key messaging portal
- 11. Civic Engagement Sessions
- 12. Governance Report Review
- 13. Regular interagency meetings are facilitated across the city
- 14. Welcoming Communities Plan
- 15. Community and Social Development Strategy
- 16. Age Friendly Plan
- 17. Disability Action Plan
- 18. Resident Survey

Residual Risk Rating		Very High – Possible x Major		
Responsible Manager(s)	Nicole Nooyen	Risk Treatment Option	Mitigate	
	Erin Bates			
	Michelle Hawthorne			
Treatment Plans				

Treatment Plans		
Treatment Plan	Previous Update	Update – September 2025
Update the Communication and Engagement Strategy by October 2025	June 2025 Council has plans to update the Communication and Engagement strategy by September 2025. A key component of the strategy will be how all of Council business units contribute to Council's trust and reputation.	September 2025 The Strategy will also include a Council corer narrative as recommended by the independent communication review. The core narrative is under development, with the challenges contained in Council's Pre-election Report to serve as
		the basis.
Implementation of Year 1 of the Rangatahi Action Plan 2025-28	June 2025 The Draft Rangatahi Action Plan will be considered for approval at the 5 June 2025 Community and Natural Environment Committee meeting.	September 2025 The Rangatahi Action Plan was adopted at the 5 June 2025 Community and Natural Environment Committee meeting. Year 1 implementation is now underway.

OR3 Failure of Critical Assets

Incorrect investment (timing or amounts) results in the unexpected failure of critical assets (loss of levels of service), resulting in loss of service delivery, financial impact, and environmental damage.

	Risk Owner	Andrew	Category	Environmental	Risk Appetite	Averse - 1
ı		Parsons		Financial		
ı				Reputation		
ı				Service		
				Delivery		

Inherent Risk Rating

Very High – Likely x Major

Existing Controls

Asset Management Controls

- 1. Regular monitoring and submission on industry change
- 2. Resourcing for Activity Management Plan (AMP) funded
- 3. 2024-2054 Infrastructure Strategy is in place.
- 4. Modelling and master planning of strategic network assets
- 5. Asset Management Plan policy in place to set standards
- 6. 2021-31 Activity Management Plans int. ext. reviewed
- 7. Asset Strategy Team in place to drive org consistency
- 8. Manage, monitor, operate and maintain critical assets

Operational Controls:

- 9. Processes in place Re: supervision design and test
- 10. Quarterly Threat and Risk assessments
- 11. Training and development plans in place for staff
- 12. Business Continuity and Essential Maintenance Plans

Planning Controls:

- 13. Annual review of infrastructure capital and renewal programme
- 14. Anomaly detection and vulnerability scanning capability
- 15. Solutions for redundancy (physical and process) in place
- 16. Project management and procurement processes are in place

Procurement Controls:

Improvement Plan by

June 2025

- 17. Robust procurement process followed to identify/scope
- 18. Maintenance and service agreements in place with the supplier
- 19. Speciality contracts in place to maintain critical assets
- 20. Stakeholder engaged before procure/replacement of asset

Residual Risk Rating		Very High – Possible x Major		
Responsible	Paul Gower,	Risk Treatment Option		Mitigate
Manager(s)	Tania Hermann,	·		
	Jo Keall,			
	Claire Toko,			
Treatment Plans				
Treatment Plan	Previous Upda	te	Updat	e – September 2025
Implement the	June 2025		September 2	2025
Organisational Asset Management	The community and facility management improvement	•		underway to review the asset management

is in progress and nearing completion

and will continue beyond June 2025.

Funding is available for this programme

improvements and updating of the

Organisational Asset Management

Improvement Plan.

in current financial year. This	
programme comprises 9 related	
projects - improving asset registers,	
practices and capabilities across key	
community infrastructure and assets	
and Council buildings. On completion of	
this work the Organisational	
Improvement programme will be	
reported on and updated to guide	
future improvements.	

OR4 Low Staff Engagement

A lack of adequate people resource, unclear direction and strategy, inadequate business tools, systems and processes or ineffective leadership could lead to low staff engagement resulting in fatigue, health and safety issues, poor performance and retention issues.

Risk Owner Sean Hickey Category People Service Delivery Risk Appetite

Inherent Risk Rating

Very High – Possible x Major

Update - September 2025

improving people's perception around open and honest

Existing Controls

- 1. Change Management framework and processes
- 2. Corporate Change and Improvement Hub (CCIH)
- 3. Annual Engagement Survey
- 4. Rewards and Recognition Scheme
- 5. Internal Communications
- 6. He Waka Eke Noa Our Way of Working
- 7. Diversity Equity and Inclusion Strategy
- 8. Leadership Capability
- 9. Culture Rebuild Programme

Treatment Plan

Residual Risk Rating		Medium – Possible x Moderate	
Responsible Manager(s)	Dan Finn	Risk Treatment Option	Mitigate
	Julie Sanderson		
	Natalie Havsom		

Previous Update

Treatment Plans

	·	·
Implement the Culture Rebuild	June 2025	September 2025
Programme by July 2025	A pilot training program has also	Our revised Culture Rebuild
	been run with a select group of	program consists of team/ leader
	people leaders to elevate and use	led culture initiatives including
	storytelling to help engage and	employee engagement action
	inspire business communications.	planning, pulse and annual
	Working with 'The Pickering	surveys, DISC training,
	Group', further workshops will be	psychological safety training, and
	made available for senior leaders.	our People Strategy. We have
	Other work remains ongoing in	recently surveyed all staff as part
	this area following the recent	of our annual employee
	pulse survey in March which	engagement survey with high
	largely highlighted that we remain	participation (91%) and a positive
	on-track and that we were	increase in employee engagement
	continuing to focus efforts in the	(69%), up 2% from 67% last year
	right areas. Our annual survey is	and up 4% from 65% following
	scheduled for July/August 2025,	our recent pulse check in March.
	with planning already underway.	Our current focus is distributing
	Corporate People Strategy is	engagement results to people
	currently in its final draft and will	leaders with a strong emphasis on
	be finalized in May.	translating insights into taking
		meaningful action. As an
		organization, we continue to see
		positive trends around work
		flexibility, as well as learning and
		development. Taking action and

		communication are things we need to continue to work on. Psychological safety training continues to be rolled out. Refer to specific action, updated Aug 2025. Our People Strategy has been finalized and strategic initiatives are being developed and rolled out as per PSW's Stategic Roadmap
Rollout Psychological Safety Training by June 2025	Psychological safety training continues to be rolled out with 77% of people leaders having either completed or registered to attend the workshops in May. 624 employees have completed the 'Psychological Safety in the Workplace' online training to date.	September 2025 People Leader Workshops: We have provided the majority of the training so far. Going forward, these workshops will be available to those who have not attended or are new to the organisation. Our aim is to hold one workshop every six months, and yes it can become part of the Leadership 101 program. Online Modules: We have partnered with Blue Ocean Online to offer 10 new modules each year until 2027. Team Sessions: These sessions provide an opportunity for teams to come together to discuss and apply their learnings. We plan to have one session every four months, with two sessions remaining, the next session is for September to December. Reconnect Sessions for Leaders: These sessions will allow leaders to reconvene, share their insights, and address common issues that may arise. We intend to hold these sessions once every six months, with the first session scheduled for September of this year. While participation is not compulsory, these sessions encourage ongoing learning for those interested.

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Poppy Barran **Authoriser:** Hannah Windle

Position: Sustainability and Climate **Position:** Unit Director Strategic

Change Advisor Planning & Advocacy

Report Name: Approval of Our Climate Statement 2024/25

Report Status	Open
---------------	------

Purpose - Take

1. To seek a recommendation from the Strategic Risk and Assurance Committee that the Council approves Our Climate Statement 2024/25, to be published alongside the 2024/25 Annual Report.

Staff Recommendation - Tuutohu-aa-kaimahi (Recommendation to the Council)

- 2. That the Strategic Risk and Assurance Committee:
 - a) receives the report;
 - b) recommends that the Council approves Our Climate Statement 2024/25 Hamilton City Council's climate change disclosure report (**Attachment 1**);
 - c) notes that if approved, it will be published alongside the 2024/25 Annual Report.

Executive Summary - Whakaraapopototanga matua

- Our Climate Statement 2024/25 (Attachment 1) is Council's second climate change disclosure report. It outlines how we are integrating and responding to climate change across the organisation, and progress that has been made since our first disclosure report, <u>Our Climate</u> <u>Statement 2023/24</u>.
- 4. Climate change disclosure reporting is part of Council's wider climate change maturity work, which aims to make Council a climate-ready organisation. This work follows best-practice guidance for assessing, managing and publicly disclosing the risks and opportunities that climate change presents for the organisation and city.
- 5. Staff recommend **Option 1** that the Strategic Risk and Assurance Committee recommends that Council approves Our Climate Statement 2024/25 (**Attachment 1**). If approved, it will be published alongside the 2024/25 Annual Report.
- 6. Our Climate Statement was peer reviewed by Te Whakahaere, external consultants with knowledge and expertise of Aotearoa New Zealand's climate change disclosure regime, and feedback incorporated.
- 7. This is a regular operating activity funded through the Long-Term Plan.

- 8. Staff consider the matters in this report have low significance as assessed against the Significance and Engagement Policy. However, as there is a high level of community interest on climate change topics and climate change action that Council is taking, Our Climate Statement 2024/25 will be shared via public communication channels to inform the community.
- 9. Staff consider that there are no known risks associated with the decision sought in this report and that the recommendations comply with the Council's legal requirements.

Background - Koorero whaimaarama

- 10. Hamilton City Council has been developing its climate change response since 2019. This includes:
 - i. recognising it as an urgent issue following the School Strike for Climate demonstrations by school students in 2019;
 - ii. establishing 'Failure to respond to climate change' as a strategic risk for our organisation (Strategic Risk 4) in 2020;
 - iii. adopting our Climate Change Policy in June 2022; and
 - iv. approving our climate change strategy, <u>Our Climate Future: Te Pae Tawhiti o Kirikiriroa</u> in August 2022.
- 11. In 2023, staff received support from the Strategic Risk and Assurance Committee to establish the Climate Change Maturity and Disclosure Programme. This programme looks inwards at our operations, processes, and systems, to better integrate climate change in our way of working.
- 12. The Climate Change Maturity and Disclosure Programme will lead to changes in the way we work, so that we can more effectively consider climate change in all that Council does. This will ultimately support our climate change response for Council and Hamilton Kirikiriroa.
- 13. The Climate Change Maturity and Disclosure Programme is a key treatment plan for Strategic Risk 4 Failure to respond to climate change. The Strategic Risk and Assurance Committee receives quarterly updates on this programme.
- 14. An important aspect of the Climate Change Maturity and Disclosure programme is annual climate change disclosure reports. These reports outline how the organisation is addressing climate change risks and opportunities, and how climate change is integrated across our way of working.
- 15. Climate change disclosure reporting identifies and drives actions that support implementation of Climate Change Policy and Our Climate Future: Te Pae Tawhiti o Kirikiriroa. It also meets community expectations by providing transparent updates on how we are embedding our climate change response across the organisation.
- 16. In 2024, Council approved our first climate change disclosure, Our Climate Statement 2023/24. This report provided an overview of Council's climate change maturity and the areas where improvements could be made (see <u>Strategic Risk and Assurance Committee Open Agenda 28 November 2024</u>). Our Climate Statement 2023/24 was published alongside the 2023/24 Annual Report.
- 17. Over the last year, staff have been working on the areas for improvement highlighted in Our Climate Statement 2023/24, to build the organisation's climate change maturity.

Completing climate change disclosure reports

18. In completing climate change disclosure reports for Council, we follow the <u>Taskforce for Climate-related Financial Disclosures</u> framework, and voluntarily align with the <u>Aotearoa New Zealand Climate Standards</u> where practical.

- 19. The Taskforce for Climate-related Financial Disclosure framework has informed the global approach to climate change disclosures. This framework outlines that entities should assess (and then improve) the integration of climate-related risks and opportunities in the following areas:
 - i. **Governance** how the organisation's governance and management oversee climate change issues, and how management assess and manage these issues;
 - ii. **Strategy** how the organisation understands what climate change and the low-carbon transition means for its business/operations, strategy, and financial planning;
 - iii. **Risk Management** how the organisation identifies, assesses and manages climate change risks, and how these are integrated into its existing risk frameworks; and
 - iv. **Metrics and Targets** how the organisation measures and monitors its climate change risks and opportunities, such as emissions reduction targets and investments in climate adaptation.
- 20. The Taskforce for Climate-related Financial Disclosures framework and the Aotearoa New Zealand Climate Standards represent current best practice for making climate change disclosures in New Zealand.
- 21. The framework and standards were designed for the financial sector, so for some aspects we have altered the approach to be more applicable to local government.

Discussion – Matapaki

Our Climate Statement 2024/25 – Council's second climate change disclosure report

- 22. Our Climate Statement 2024/25 (**Attachment 1**) is our second public report on Council's climate change maturity. It outlines the key actions we have taken since the first disclosure report (Our Climate Statement 2023/24) to address climate change risks and opportunities and better integrate climate change across our way of working.
- 23. As there is high community interest on climate change and the climate change action that Council is taking, Our Climate Statement 2024/25 will be shared on Council's website, in our Te Pae Tawhiti newsletter and through Council communications channels.

Summary of the report findings

- 24. Hamilton City Council's maturity has improved over the last year and achievements have been made across the four domains of governance, strategy, risk management and metrics and targets. However, there is still room for improvement:
 - i. Governance We have continued regular interactions with and updates to our Elected Members and Executive Leadership Team. These conversations have supported improved knowledge and oversight for the decision-makers that have engaged, and informed plans for education going forward. Continuing to strengthen our governance and management frameworks will remain a focus, noting that Council and committee structures may look different following the local government election in October 2025;
 - ii. Strategy Procuring climate change modelling for Hamilton Kirikiriroa and participating in scenario analysis for the local government sector has improved our understanding of what climate change means for Council and the city. This also means we have more upto-date information to inform decision making as we move into the next Long-Term Plan (2027-37). However, our focus has been on the physical impacts and what they mean for Council assets. There is work to do to understand the full scope of climate change impacts for our organisation and city;

- iii. Risk Management We continue to recognise and manage climate change risk within our existing risk management framework. We have improved the climate change information available to the organisation and are using this to initiate more meaningful conversations on climate change risk across Council. Our understanding of climate change risk and the risk management remains limited to physical risks for Council assets. Assessing physical and transition risks for both Council and community is still needed; and
- iv. **Metrics and Targets** We have calculated our corporate emissions for 2024/25 and achieved an 8% reduction on our 2018/19 baseline. More work is needed to achieve our corporate emission reduction target of 50% reduction by 2030. We are still not accounting for all activities and better data collection is needed to improve this. We have initiated a project to improve data collection, methodology and reporting of our city-wide emissions.
- 25. To support aspects of the governance, strategy and risk management domains, we have initiated a review of the Climate Change Policy Appendix. The Appendix sets out how to assess climate change impacts for key decisions. We are improving the data available to complete the assessments, and the process for completing the assessments. This makes it easier for staff to implement the Policy and provide clearer, more consistent information to our decision-makers.
- 26. We also initiated our climate change education programme in 2024/25, which is in its early stages of implementation. This work supports all four domains, with a focus on climate change risk information and tailored education for management, Executive Leadership Team, and Elected Members.

Independent review

- 27. This climate change disclosure report has been peer reviewed by Te Whakahaere, external consultants with knowledge and expertise of Aotearoa New Zealand's climate change disclosure regime.
- 28. Key feedback from this peer review included:
 - i. Ensure that the 2024/25 report provides the core information of governance, strategy, risk management and metrics and targets in alignment (where possible) with the standards (NZCS1), while still providing an update on the progress made over the last 12 months. Changes were made in response, to find the balance of an update while still ensuring that readers have the complete picture of how we are embedding climate change across the organisation without having to refer extensively to our prior disclosure report (i.e., Our Climate Statement 2023/24);
 - ii. Recommendations for enhancing fair presentation in alignment with the standards (NZCS3), in particular the principles of 'comparability', 'completeness' and 'consistency'. Changes were made to enhance comparability and consistency with the previous report (Our Climate Statement 2023/24) and to add further context for readers to understand the full picture of the organisation's climate change response; and
 - iii. Suggestions on using language that aligns with the wording used in the standards where possible and relevant. Some wording changes were made to reflect this.
- 29. As we develop in our climate change maturity and are nearer to aligning with the Aotearoa New Zealand Climate Standards, we will have the reports audited independently. The first step will be getting our Hamilton City Council emissions profile verified. This will happen once we recalculate our emissions profile following waters being moved to IAWAI Flowing Waters in July 2026.

Options – *Koowhiringa*

- 30. There are two reasonable and viable options for the Committee to consider as set out below:
 - **Option 1:** Recommend that the Council approves Our Climate Statement 2024/25 alongside the 2024/25 Annual Report.
 - **Option 2:** Do not recommend that Council approves Our Climate Statement 2024/25 alongside the 2024/25 Annual Report.
- 31. Staff recommend **Option 1** because:
 - i. it supports implementation of Our Climate Future: Te Pae Tawhiti o Kirikiriroa (Council's climate change strategy);
 - ii. it supports better implementation of Council's Climate Change Policy;
 - iii. it will lead to better support for staff to consider climate change and to provide the climate change impact information to decision-makers; and
 - iv. it provides an update to the community on Council's commitment to responding to climate change.

Financial Considerations - Whaiwhakaaro Puutea

32. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

33. Staff confirm that the recommendation complies with the Council's legal requirements.

Risks – *Tuuraru*

- 34. There are no known risks associated with the decisions sought in this report as the matter is for information purposes.
- 35. Our Climate Statement 2024/25, and the wider Climate Change Maturity and Disclosure Programme, is a key treatment plan for *Strategic Risk 4 Failure to respond to climate change*. Through this programme and our disclosure reporting, we are working to better understand the risks that climate change presents for our city and organisation, and are being transparent about how we manage them. So, while there are no risks associated with the decision sought, it has positive implications for our understanding and management of *Strategic Risk 4*.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 36. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 37. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 38. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways.

Significance and	Staff have considered the key considerations under the Significance and
Engagement Policy	Engagement Policy and have assessed that the matter(s) in this report has/have
	a low level of significance.
	Given the low level of significance determined, the engagement level is low. No engagement is required.

He Pou Manawa Ora - Pillars of Wellbeing	The staff recommendation supports: POU FOUR: He Pou Manawa Taiao Pillar of Restoration. Completing climate change disclosure reporting, and the wider Climate Change Maturity and Disclosure Programme, enables Council to better understand how climate change will impact our organisation, our city and the wider community. Having this information means we will be better placed to support our community and natural and built environments to withstand the physical impacts of climate change and as we transition to a low-carbon future.
Our Climate Future Te Pae Tawhiti o Kirikiriroa	The staff recommendation supports all outcomes of Our Climate Future: Te Pae Tawhiti o Kirikiriroa. Completing climate change disclosure reporting, and the wider Climate Change Maturity and Disclosure Programme, will lead to changes in the way we work, so that we can more effectively consider climate change in all that we do. This will lead to better implementation of the Climate Change Policy and will ultimately support the community and city-wide climate change response set in Our Climate Future: Te Pae Tawhiti o Kirikiriroa.
	Staff have assessed the recommendation against the <u>Climate Change Policy</u> for both emissions and climate change adaptation. Staff have determined that no adaptation or no emissions assessment is required. As this report is informing the Committee of the Council's climate change disclosure report (Our Climate Statement 2024/25), there are no adaptation or emissions impacts associated with receiving the report.
Disability Action Plan	Staff have considered the Disability Action Plan and determined that there are no specific or relevant outcomes applicable to this report.

Attachments - Ngaa taapirihanga

Attachment 1 - Our Climate Statement 2024/25



Contents From the Chief Executive Introduction Governance 10 Strategy Risk management 15 19 Metrics and targets Next steps 25 Hamilton City Council

From the Chief Executive

The changing climate presents both challenges and opportunities for Hamilton City Council, our city, and our community. As stewards of Hamilton's future, we recognise the urgency of preparing for these changes. We are focused on strengthening our climate change response, acknowledging that improving our organisational climate change maturity is essential.

Improving our climate maturity means looking inward, evaluating how we work, and embedding climate change considerations into every aspect of Council operations. From governance and decision-making to risk management and day-to-day processes, we are committed to ensuring climate resilience and the transition to a low-carbon future is a core part of how we serve our community.

This year (2024/25) has been about setting up for success on our climate change maturity journey. Our Executive Leadership Team endorsed the 2025-2028 Climate Change Maturity Roadmap, signalling an organisation-wide commitment to advancing our climate response over the next three years. As Chief Executive, I have prioritised building climate knowledge within my leadership team, recognising that meaningful change must be led from the top.

We are committed to fostering a culture of climate education and action across Council. We've started to improve the quality of our climate data and modelling, tailored specifically to Hamilton Kirikiriroa, and are reviewing our Climate Change Policy – our key tool for assessing climate impacts in decision-making. These efforts will support more informed conversations and better outcomes for our city.

While we've made good progress, we must also acknowledge the increase in our corporate emissions over the past year. Although our emissions remain below our 2018/19 baseline, the rise since 2023/24 highlights the need to further embed climate action into our operations and behaviours to meet our 2030 emission reduction target.

This document, Our Climate Statement 2024/25, is our second climate change disclosure report. It reflects the progress we've made in the first year of our climate maturity journey and reaffirms our commitment to a low-carbon, resilient future for Hamilton Kirikiriroa. We will continue to report annually, ensuring transparency and accountability as we move forward.

Lance Vervoort

Tumu Whakarae

Introduction

Our Climate Statement 2024/25 is Hamilton City Council's second annual climate change disclosure report. It is part of Council's wider, ongoing climate change maturity work which looks internally at how we are integrating and responding to climate change across the organisation. This report provides an update on how we are managing climate change risk, and the key actions we have delivered over the last 12 months.

The focus for 2024/25 has been setting out what we need to do and establishing our work programmes. We have developed a three-year Climate Change Maturity Roadmap for the organisation which outlines the workstreams required to improve our climate change maturity. As we implement these workstreams, the outcomes and improvements will be reflected in Our Climate Statement reports.

We have made progress improving our climate change risk data so we have more up-to-date and specific information for Hamilton Kirikiriroa. A review of Council's Climate Change Policy is also underway, which will ensure more useful climate change information is provided to our management and Elected Members to make decisions. A crossorganisation climate change education programme has been developed which will support our staff and decision-makers to better understand climate change risks and opportunities, and what they mean for our city and Council.

While progress has been made since Council's first climate change disclosure (<u>Our Climate Statement 2023/24</u>), we are still early on in our maturity journey and recognise there is a lot more work to do.

Climate change disclosures

A climate change disclosure is a public statement about an organisation's climate risks. It outlines the processes, systems, risk management, monitoring practices, and management and governance structures that the organisation is putting in place to respond to the risk. In summary, it shares how the organisation is changing its way of working to address climate change. Our Council is not currently captured under the

mandatory climate change disclosure regime in Aotearoa New Zealand - we are choosing to report annually as part of our climate change work programme.

Producing these reports aligns with best practices for understanding, taking responsibility for, and responding to climate change risk. This reporting drives a better response to the climate change risks across the organisation. It also provides stakeholders with an update on how well the organisation is prepared for the transition to a low-carbon and climate resilient future.

Our approach to climate change disclosures

The <u>Taskforce for Climate-related Financial Disclosures</u> (TCFD) has informed the global approach to climate change disclosures. The TCFD recommends that an entity should disclose information about how climate change risks and opportunities are integrated across its governance, strategy, risk management, and metrics and targets. Building on the TCFD recommendations here in Aotearoa New Zealand, the External Reporting Board (XRB) have issued <u>Climate Standards</u> (NZCS) to provide a consistent framework for considering climate change risks and opportunities across these four domains.

Council completed an assessment of how we are currently integrating climate change across the organisation using the TCFD domains and NZCS in 2023/24, and the findings were reported in <u>Our Climate Statement 2023/24</u>. As we are at the start of our climate change disclosure journey, we do not currently have all the information required by the framework and standards. In addition, the TCFD framework and NZCS are intended for use by the financial sector, which means in some areas the approach needs to be altered for the local government context (see Figure 1). Where practical, we are working to voluntarily align with the NZCS.

As we continue to complete our disclosures each year, we anticipate the information and our alignment with best-practice standards will improve.

Figure 1. Applying the TCFD framework for Hamilton City Council

	Description of TCFD domain	Translation to Council context
Governance	How the organisation's governance oversees climate change issues, and how management assess and manage those issues.	How Council ensures climate change is receiving the appropriate attention from Elected Members and the Executive Leadership Team. This includes understanding how they are informed of climate change risks and opportunities, and whether climate change is considered in their decision-making to ensure climate risks are managed.
Strategy	Understanding the impacts of climate change and the low-carbon transition on the organisation's business, strategy, and financial planning, and how the organisation is responding.	How well Council understands the climate change impacts (including financial impacts) for both our organisation and Hamilton Kirikiriroa, and how well these impacts are factored into long-term strategic planning so we are prepared for the transition to a low-carbon and climate resilient future.
Risk management	How the organisation identifies, assesses, and manages climate change risks, and how these processes are integrated into the organisation's existing risk frameworks.	How Council has identified and evaluated climate change risks for Hamilton Kirikiriroa and our own organisation, and how these are integrated into our overall risk profile. This includes understanding if the risks are considered over the appropriate timeframes, and how the risks are being addressed.
Metrics and targets	How the organisation measures and monitors its climate change risks and opportunities, such as emissions targets, investments in climate adaptation, etc.	How Council is monitoring progress towards a low-carbon and climate resilient future for our organisation and for Hamilton Kirikiriroa. This includes how Council and city-wide emissions are reducing in line with our targets, how we are measuring progress against other key indicators, such as extreme weather impacts on our infrastructure and services, and any risks to achieving these.

Governance

This section outlines the role of Elected Members in overseeing climate change risk and opportunities, and the role of the Executive Leadership Team in assessing and managing these risks and opportunities.

Summary

What we've achieved (2024/25)

- Provided strategy implementation updates to Elected Members.
- The Climate Strategy Advisory Group provided direction to staff.
- Reviewing Climate Change Policy Appendix to improve climate change assessments and information provided to decision-makers.
- Establishing a Climate Change Education Programme with tailored resources for managers and governors.

What we need to improve

- Strengthen governance and management frameworks to ensure climate change information is applied to decisions.
- Consistency, depth, and quality of climate change information provided to decision-makers, and how this is monitored.
- Understanding of climate change and managing climate change risks.

Hamilton City Council is made up of two key parts: the governance body and the organisation.

Elected Members

The governance body includes the Elected Members who set the strategic direction and have oversight of our climate change response. For the 2022-25 triennium, all of Council (the Mayor and all Elected Members) have had oversight of the climate change strategy, <u>Our Climate Future: Te Pae Tawhiti o Kirikiriroa</u>, and the <u>Climate Change Policy</u>. Their role is to ensure that decisions are not inconsistent with the strategy, and the Policy is designed to ensure they receive information about the climate impacts of key decisions. The committees that have a governance role in relation to climate change risk for the 2022-25 triennium are shown in Figure 2, along with their climate change responsibilities and delegations.

In February 2025, Council received an annual update on the delivery of Our Climate Future (see <u>Council Open Agenda 11 February 2025</u>). This report highlighted the achievements and challenges with the implementation of the strategy over the previous 12 months.

For the 2022-25 triennium, Council also established an internal panel for climate change - the Climate Strategy Advisory Group. This sub-group of Elected Members provide advice to staff relating to the implementation of Our Climate Future and the Climate Change Policy.

The Climate Strategy Advisory Group met five times over the 2024/25 financial year. The Advisory Group meetings included discussions on the climate change maturity programme, corporate and city-wide emissions, climate change risk assessment and management, and any key risks to programme delivery. The Advisory Group also discussed how to best support Elected Members with their climate change knowledge, which has informed plans for the climate change education programme in the 2025-28 Climate Change Maturity Roadmap. This is key to building the

appropriate skills and competencies to oversee climate-related risk and opportunities, aligning our governance decisions with Our Climate Future, and to properly consider climate change impacts when making these decisions.

Having these Advisory Group meetings has been useful for directing staff work programmes. For Elected Members that have engaged, it has improved their understanding and oversight of climate change risks and opportunities. However, the Advisory Group membership is only a third of our Elected Members (five members). This means we are still not seeing the cross-Council engagement with climate change at the governance level.

Continuing to strengthen our governance frameworks for climate change will remain a focus as we move into the new triennium (2025-28). However, as the Mayor and Elected Members of the day decide on council and committee structures, these are likely to look different following the local government election in October 2025. Staff will work with the new council to integrate climate change in the new governance structures and will take learnings from this year to make improvements. This will include working with new and existing Council-controlled organisations (CCOs), which are shown in Figure 3.

The induction process for the 2025-28 Elected Members is a key opportunity to engage with our governors on climate change. We will use the other channels already established in the next triennium (such as briefings or workshops) to continue to upskill them in climate change governance, and the risks and opportunities that climate change brings for our city and Council.

In May 2025, Hamilton City Council and Waikato District Council approved the establishment of a joint waters Council-controlled organisation, <u>IAWAI Flowing Waters</u>. This was in response to central government water services reform <u>Local Water Done Well</u>. The new entity will own and manage drinking water and wastewater assets and services, and provide stormwater services for both councils from 1 July 2026. We are working to understand how best to integrate the climate change response for Hamilton's water services as the new entity is established. This change impacts who is responsible for the resilience of our water services in the face of climate change, and the emissions associated with these services. See <u>Metrics and Targets</u> section for further information.

Meets monthly Provides leadership to, and advocacy on behalf of, the people of Hamilton Has oversight of the Climate Change Policy and climate change strategy, Our Climate Future: Te Pae Tawhiti o Kirikiriroa. Ensures **Council - The Mayor and all Councillors** decisions are not inconsistent with Our Climate Future Adopts Long-Term Plan, Annual Plan, and Annual Report, and approves or changes the Operative District Plan Meets every two months Meets as required, no less than Meets as required four times a year Common delegation: Monitor, implement (within the scope of the committee's Terms of Reference) and ensure decisions are not inconsistent with Our Climate Future Strategic Risk and **Chief Executive** Infrastructure and Strategic Growth **Community and Natural** Economic Finance and Development **Transport Committee** and District Plan **Environment Committee** Monitoring **Assurance Committee** Review Committee Committee Committee Committee Guide and monitor Guide provision of Provide objective advice provision of Guide sustainable community infrastructure Govern Hamilton's Monitor current to the governing body Review and make and services and the infrastructure and development economic agenda inancial strategy and on the adequacy and recommendations function of Council's services for transport, and growth of sustainability of Hamilton's and investment performance against to Council on all Long-Term Plan and natural environment. development risk management and water, Hamilton. matters related assurance framework. and waste. opportunities. Annual Plan. to the Chief Provide leadership Ensure Hamilton is Executive's and direction on performing to highest Provide direction on Review effectiveness of employment. the District Plan. standard in civil defence governance, risk and financial strategy. and emergency resilience management, and internal control. management. Committees of the whole: the Mayor and all Councillors Independent Chair and Members Six Elected Deputy Chair Members including One Maangai One Maangai Maaori One Maangai Maaori **Eight Elected Members** the Mayor Maaori including the Mayor representative representative representative Enable low-carbon Provide infrastructure that Consider and Oversee Strategic Risk Review Chief Land-use planning Support transport options in to enable a supports the usability and Hamilton's role prepare for the 4: Failure to Respond to Executive key Hamilton Kirikiriroa. compact, lowresilience of community in the transition financial impacts Climate Change. performance Provide infrastructure carbon city and and natural spaces in the to a low-carbon of climate change, indicator related Monitor controls and with low embodied avoid growth in changing climate. Ensure economy and including appropriate to achieving treatment actions for emissions that will areas subject to readiness for extreme encourage insurance for the outcomes and Strategic Risk 4. withstand the changing natural hazards. impacts of extreme weather events. investment actions in Our climate and improve the decisions that weather events. Climate Future. Recommend climate resilience to extreme align with a lowchange disclosure reports weather events. carbon future. for Council approval.

Figure 2. Hamilton City Council's climate-related governance structure and responsibilities for 2022-25

Executive Leadership Team

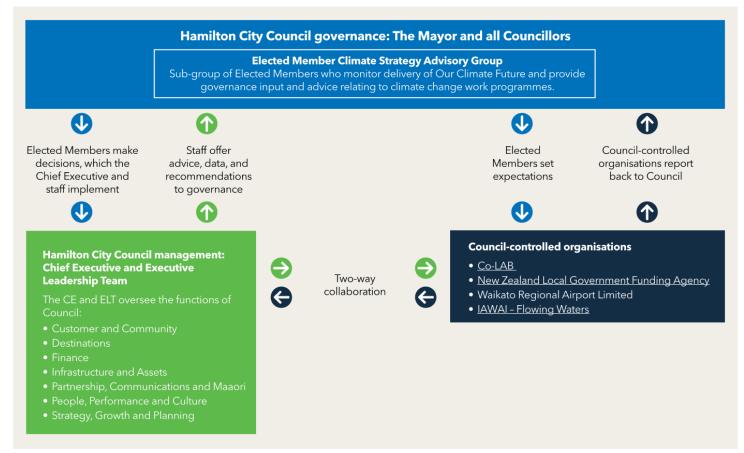
The Executive Leadership Team is our management team made up of the Chief Executive and General Managers that lead the organisation. The Executive Leadership Team and staff provide advice to Elected Members and implement their decisions in relation to our climate change response (and other activities). Figure 3 shows the information flows between the Executive Leadership Team, Elected Members, and staff.

In February 2025, the Executive Leadership Team approved the 2025-28 Climate Change Maturity Roadmap which outlined the key workstreams to improve our maturity, their role to champion, engage with, or approve the work, and their group's involvement in delivery. Their engagement with and approval of the Roadmap represents a key improvement in their understanding and involvement of our climate change maturity journey, and how we are integrating our climate change response across the different parts of the organisation.

There is a varied level of understanding of climate change and its risk across our Executive Leadership Team. This impacts how well management decisions align with Our Climate Future and consider climate change impacts. The climate change education programme initiated in 2024/25 will build on the foundational education sessions the Executive Leadership Team received in 2023/24 and will provide more tailored education for them and for managers. In May 2025, we delivered a Climate Fresk workshop for our Executive Leadership Team to support their understanding of the causes and consequences of climate change, and the influence they have as individuals, leaders, and in their role at Council.



 $Figure\ 3.\ Information\ flows\ between\ Hamilton\ City\ Council\ governance, management, and\ Council-controlled\ organisations$



Climate Change Policy review

The Climate Change Policy is a key tool for providing Elected Members and the Executive Leadership Team with information on the climate impacts of decisions they recommend or make. The Policy includes a requirement to assess the emissions and adaptation impacts of all key decisions. This information is captured in key documents like Project Management Plans, as well as the relevant Council or committee report, so that the information is available for the Executive Leadership Team and Elected Members to inform their decision-making.

In 2024/25, we started a review of the climate change impact assessments required by the Policy. Since the Policy was adopted in 2022 the implementation has been ad-hoc and was not leading to useful climate change information being provided to the Executive Leadership Team or Elected Members. The review will ensure that impact assessments are easier for staff to complete, so that the right information is being provided for management and governance to make climate-informed decisions. The review also includes improvements in the digital processes staff use to complete the assessments, so that we are capturing the information and outcomes clearly and consistently and can better monitor the Policy implementation.



Strategy

This section outlines how well Council understands the climate change risks and opportunities that are currently, or may in the future, impact both Council and Hamilton Kirikiriroa. It sets out how we are responding to the risks and opportunities presented by climate change through our strategic and financial planning and decisions.

Summary

What we've achieved (2024/25)

- Initiated a Hazard and Climate Change Risk Project.
- Participated in scenario analysis for the local government sector.
- Early identification of how to integrate climate change into the development of the 2027-37 Long-Term Plan.

What we need to improve

- Understand full scope of climate change impacts and risks.
- ① Complete scenario analysis.
- Improve integration of climate change risk into core strategic planning processes and documents.

Building our strategic response to climate change

We have been building our climate change response for some time and have started to incorporate the climate change risks and opportunities we are aware of into our strategic planning processes and documents.



Our journey so far

This timeline shows the journey we've taken in developing our strategic response to climate change so far:

2019/20

- Council recognised climate change is an urgent issue.
- Measured 2018/19 baseline emissions for Hamilton City Council and for Hamilton Kirikiriroa.



2021/22

- Measured Council's emissions for 2020/21.
- Delivered Council's second Climate Change Action Plan.

2022/23

- Measured Council's emissions for 2021/22.
- Approved our climate change strategy, Our Climate Future: Te Pae Tawhiti o Kirikiriroa.
- Set emissions targets for Hamilton Kirikiriroa and strengthened targets for Council's emissions.
- Completed physical climate change risk assessment for Council assets and operations.

2023/24

for 2022/23.

Measured 2021/2022

emissions for Hamilton



2024/25

- Measured Council's emissions for 2023/24.
- Published first climate change disclosure report, Our Climate Future 2023/24.
- Developed 2025-28 Climate Change Maturity Roadmap.
- Launched organisation-wide climate change education programme.
- Initiated Hazard and Climate Change Risk Project.
- Procured a natural hazard and climate change risk modelling tool.

2020/21

- Council established 'Failure to respond to climate change' as a Strategic Risk.
- Measured Council's emissions for 2019/20.
- Delivered Council's first Climate Change Action Plan.
- Set our first emissions reduction target for Council.



Kirikiriroa. Initiated Climate Maturity and Disclosure Programme, assessing how climate change

is integrated across Council.

• Measured Council's emissions

Our Climate Future: Te Pae Tawhiti o Kirikiriroa

In 2022, Council approved <u>Our Climate Future: Te Pae Tawhiti o Kirikiriroa</u>. This strategy outlines the priorities for Council's response to the physical and transition risks associated with climate change. The vision and three outcomes of Our Climate Future are:

Vision:

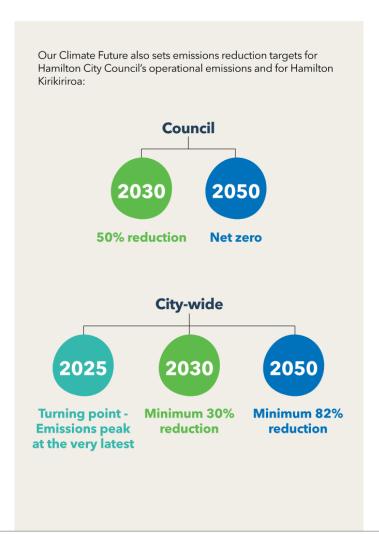
Hamilton Kirikiriroa is a thriving, low-carbon city that responds and adapts to climate change.

Outcomes:









'Net zero' refers to reducing emissions as much as possible, with any remaining unavoidable emissions being sequestered through planting and maintaining trees. 'Net zero' does not mean there are no emissions produced - just that these are balanced by capturing them from the atmosphere.

Council also adopted our <u>Climate Change Policy</u> in 2022, which sets the rules for when, and the extent to which, climate change will be considered in Council decision-making. Implementing the strategy and policy are our key tools for embedding climate change in our strategic and financial planning and decisions.

Understanding the full scope of climate change impacts and risks

Our understanding of climate change impacts and risks remain limited but has improved. It is informed by national data, other councils' climate change risk assessments, and a high-level physical risk assessment that was completed for Councils assets in 2023.

In 2024/25, Waikato Regional Council finalised a high-level risk identification and screening project and published the <u>Waikato Regional Climate Change Hazard and Risks Report</u>. The report provides an overview of climate change hazards and risks that are likely to affect the region, across five domains (human, natural environment, economy, built environment and governance). This work gives us further indication of the climate-related risks that Hamilton Kirikiriroa may face, however, it was not a full or detailed climate change risk assessment. As it was high-level, it misses some of the key risks that could impact our city. Further work is required for us to continue improving our understanding of the full scope of climate change impacts and risks.

Some of the high-level climate hazard and risks identified in the report include:

- Increased coastal and riverine hazards lead people to migrate to Hamilton, placing additional pressure on our services and housing.
- Impacts of severe weather events create economic costs for homeowners.
- Warmer temperatures disrupt ecosystems, including Hamilton lakes and the Waikato River, which impacts water quality and biodiversity.
- The city's critical infrastructure is overwhelmed by heavy rainfall, impacting critical services across the city.

We have also initiated a Hazard and Climate Change Risk Project in 2024/25. This project includes procuring spatial climate change modelling for Hamilton Kirikiriroa, which will help us to better understand and prepare our city and organisation for natural hazards and the physical impacts of climate change. It also means that we have more up to date information to inform decision making as we move into the next Long-Term Plan. This project is the first step, and integration of the information will be a focus going forward.

Completing scenario analysis

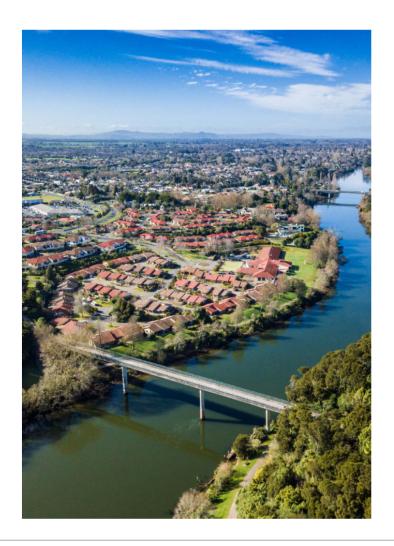
Scenario analysis is a strategic tool that allows organisations to explore plausible futures they may need to operate in. Each scenario outlines how the future might look if inputs such as extreme weather events, climate-related policies, low-carbon technology, and social and demographic changes play out in different ways. These scenarios can then be used to understand how an organisation might perform in those futures, and what it needs to do to prepare.

In 2024/25, Hamilton City Council was involved in the development of shared scenarios for the local government sector alongside other local government partners, such as the Local Government Funding Agency, Wellington City Council, and Auckland Council. The scenarios aim to answer the question, "How could climate change influence local government's ability to deliver services between now and 2035, 2050 and 2100?". These scenarios will provide a tool for local governments to use, to better understand the impacts of climate change on our work and the plausible futures we need to prepare for. Being involved in this work supports Hamilton City Council's capability and understanding of scenario analysis, and means we are better prepared to create plausible futures that are specific to Hamilton Kirikiriroa. These Hamilton-specific scenarios can then better inform Council's strategic climate change response, as we will have a better understanding of what risks and opportunities our organisation and city face. This is particularly important for the nonphysical risks that climate change presents.

Integrating climate change risk into strategic planning

Every three years Council develops a Long-Term Plan, which sets major projects, budgets, and financial strategy for the next 10 years. For the two years after that, we develop Annual Plans outlining changes or additions to the Long-Term Plan. Each year Council also produces an Annual Report which demonstrates how we performed. A reflection of the year's progress of our climate change response is included in the 2024/25 Annual Report.

As we begin preparations for the 2027-37 Long-Term Plan, we are focused on how we can better integrate climate change information in the process to support decision making.



Risk management

This section outlines how Council identifies, assesses, and manages climate-related risks, and how this is integrated into existing risk management processes. It includes the different types of risk categories Council has, and how climate change risk is addressed based on the risk type.

Summary

What we've achieved (2024/25)

- Improved climate change information available to the
- Planning for climate change risk and risk management education with management and governance.

What we need to improve

- Assess physical and transition climate change risks for both Council and community.
- 1 Deepen understanding of, and engagement with, climate change risk across the organisation.
- The Ensure consistency in climate change risk management across the organisation.

Council's risk management framework

Council has a robust risk management framework to manage our strategic, organisational, emerging, and operational risks. These are managed in an online risk management platform, SHIELD, and reported to management, the Executive Leadership Team, and/or the Strategic Risk and Assurance Committee. The framework is outlined in Figure 4. Whilst this framework is in place, there is still work to do to ensure that climate change risk is fully embedded across our organisation.

'Failure to respond to climate change' has been identified as a strategic risk for our organisation since 2020. The risk is defined as "Climate change causes changes to our community and city we have not anticipated or planned for which will negatively impact on the wellbeing of our community". In 2024/25, following a review of all strategic risks, the name of the risk was changed from Strategic Risk 9 to Strategic Risk 4. As of June 2025, the residual rating for this risk remains at very high (see Strategic Risk and Assurance Committee Open Agenda, 17 June 2025). We continue to implement risk treatment actions that enable Council to better understand this risk and support the organisation's approach to climate change risk management. The climate change maturity work and Our Climate Statement reports are a key treatment activity for this risk. By having our climate risk information in the public domain and using the findings of our annual disclosure report to better support our climate change response, we are taking responsibility for and strengthening our climate action. This in turn will enable better outcomes for the organisation, community, and city as we face the challenge of climate change.

Figure 4. Management and reporting of different types of risk for Hamilton City Council

	Strategic	Organisational	Emerging	Operational	Project and Programme
Type of risk	The risk of an event or impact that is external to Council, that if it occurs forces a change in strategic direction of Council objectives, including Council's Financial Strategy, Long-Term Plan and 30-Year Infrastructure Strategy.	The risk of an event or impact that is internal or external to Council that could impact the whole organisation.	Emerging risks are risks which may develop or already exist and are difficult to quantify but may have a high consequence and impact if they materialise.	The risk of an event or impact that is internal or external to Council and could impact one or more operational activities.	Risks associated with individual projects and programmes.
Example risks related to climate change	Strategic Risk 1 - Failure to respond to a disaster, crisis, or emergency. Strategic Risk 4 - Failure to respond to climate change. Failure of critical assets. Failure of critical assets. Failure of critical assets. Failure to provide a safe environment for the community. Misinformation impacting Council activities. Council activities. Surface flooding to transport network. Plant disease or serious harm to planting. Failure to prevent flooding of habitable floors.		Extreme weather events delaying project delivery, disrupting supply chains, etc.		
Managed		ncil's online risk management platf risk registers. Risks can be assigned		and teams to take ownership for	Risks are managed in Psoda, Council's online project management platform.
Reporting and review	Strategic and Organisational Risk I Strategic Risk and Assurance Com Risks with an 'extreme' residual risk with the Executive Leadership Tear Risks with a 'very high' or 'high' res quarterly with the Executive Leade Risks with a 'medium' or 'low' resid monthly with senior management.	mittee every quarter. Trating are reviewed monthly The control of the control o	is also a monthly review with mo Leadership team. Risks with a 'very high' residual ri	scutive Update as required. There in thly reporting to the Executive sk rating are reported the cutive Update as required. There y reporting to the Executive ting are reviewed quarterly, with we Leadership Team.	

Assessing climate change risks for Council and community

Our 'first pass' climate change risk assessment for Council assets was completed in 2023. This assessment was limited by the use of regional data, so didn't provide the detail of what climate change means for Hamilton Kirikiriroa.

In September 2024, Ministry for the Environment (MfE) released a dashboard with summaries of the modelled changes to the climate for territorial authorities. It provides a snapshot of downscaled climate change information for Hamilton Kirikiriroa, which can be found in Table 1. This improved information gives us a better understanding of the physical

climate change impacts our city is likely to face in the future under the different Shared Socioeconomic Pathways (SSPs, noting that SSP5-8.5 is not provided in the dashboard).

Shared Socioeconomic Pathways (SSPs) outline different scenarios that the world could experience, examining how society, demographics, economics and technology might change over time. These are combined with different emissions trajectories to provide a global narrative, emissions trajectory, and level of warming as a baseline for future planning.

Table 1. Projected climate changes in Hamilton between now and 2099, relative to the 1995-2014 period for three scenarios - SSP1-2.6, SSP2-4.5 and SSP3-7.0

Clima variak		Average daily air temperature	Number of hot days (>25 °C)	Number of frost days	Total rainfall	Number of very rainy days (>25mm)	Number of dry days (<1mm)	Number of windy days (>10m/s)
2050 (2041	- 2060)	Average temperatures likely to be 0.8 - 1.4°C warmer	23.3 - 37.3 more hot days per year	3.6 - 5.7 fewer frost days per year	Annual rainfall likely to decrease by -3.6% to -1.2%	0.4 - 0.7 more very rainy days per year	1.5 fewer - 2.0 more dry days per year	5.7 - 7.6 fewer windy days per year
2090 (2080) - 2099)	Average temperatures likely to be 0.8 - 3.0°C warmer	19.5 - 77.8 more hot days per year	3.2 - 11.2 fewer frost days per year	Annual rainfall likely to decrease by -8.4% to -1.5%	0.5 - 0.8 more very rainy days per year	0.5 fewer - 8.0 more dry days per year	1.8 - 18.0 fewer windy days per year

Note: The figures above represent the range of impacts across all three SSPs.

In 2024/25, we procured a new natural hazard and climate change risk modelling tool, Resilience Explorer. This tool will be used to update our risk assessment for Council's assets. It provides a spatial platform and centralised space for Council to access consistent and regularly updated information. This improves our understanding of the impact of climate change on our assets, which assets are most vulnerable, and how they need to be managed differently and effectively. This information will inform Asset Management Plans and recommendations for the 2027-2037 Long-Term Plan and will support better climate change risk reporting through our existing risk management framework. This modelling tool improves not only our understanding of the physical risks that climate change presents to Council, but also how we need to respond in our planning and renewals programmes.

We plan to complete a full climate change risk assessment for Council that includes transition risks, impacts for our operations and the outputs from the assets climate change risk assessment in 2025/26. A climate change risk assessment for our community is also needed, and the timing, approach and scale of this assessment will depend on funding and resourcing availability.

Improving our understanding of, and engagement with, climate change risk

Initiating the Hazard and Climate Change Risk Project and Resilience Explorer tool in 2024/25 means that we are setting ourselves up to improve our understanding of, and engagement with, climate change risk. These are cross-organisation initiatives that are still in their early stages of implementation but have initiated more meaningful conversations on climate change risk across Council this year.

The Climate Change Policy review is also key to improving climate change risk management across Council. By improving the data available to complete the assessment, and the process for completing the assessments, we are making it easier for staff to implement the Policy and providing clearer and more consistent information to our decision-makers. The Climate Change Policy review is currently underway.

We have also initiated our climate change education programme in 2024/25, which is in its early stages of implementation. A key focus area is the targeted education for the Executive Leadership Team and Elected Members on climate change risk, and how to apply it in making decisions.

Metrics and targets

This section outlines Council's metrics and targets for managing climate-related risks, opportunities, impacts, and performance, and how well they are monitored. This includes measuring and reporting Council's corporate emissions, citywide emissions for Hamilton Kirikiriroa, and other climate change measures established through Our Climate Future.

Summary

What we've achieved (2024/25)

- Calculated our corporate emissions for 2024/25.
- Initiated improvements for city-wide emissions measurements.

What we need to improve

- Accounting for all relevant activities in our corporate emissions monitoring.
- 1 Clarity for our emissions targets and what's in/out of scope.
- Capturing and monitoring the right data for all other climate change metrics and targets.

Hamilton City Council's corporate emissions and targets

We first measured Council's corporate greenhouse gas emissions in 2019/20, to establish our 2018/19 baseline. Our corporate emissions are those produced by our operations and activities, and include the following sources:

Scope 1:

- Energy (LPG and natural gas) used in our buildings and operations.
- Fuels used in Council-owned fleet, in vehicles we rent for fleet purposes, and car share use.
- Livestock and fertilisers used on Council land.

Scope 2:

• Electricity used in our buildings and operations.

Scope 3:

- Flights, hotel stays, and rental cars used for staff travel.
- Transport and composting of biosolids from our wastewater treatment process.
- Waste from Council operations.

Our 2018/19 baseline included biogenic emissions from the flaring of biogas at the Wastewater Treatment Plant (WWTP), which were 11,159 tonnes of carbon dioxide equivalent (tCO $_2$ e), almost 50% of our total emissions at the time. We recognised that these emissions could be addressed by changing a single process (i.e., utilising the biogas for something else). In contrast, other sources require a mix of infrastructure, behaviour change, and process and system changes across the organisation, making them more likely to fluctuate and require multiple actions to address. We have therefore focused on annual measurements and reporting of our other emissions and have excluded biogenic emissions from the WWTP in our corporate emissions targets and monitoring.

Our 2018/19 baseline for the remaining emissions, and what our annual reporting is compared against, is $11,357tCO_2e$. Our corporate emissions targets are a 50% gross reduction in emissions by 2030 and to be net zero by 2050.

Hamilton City Council's 2024/25 greenhouse gas emissions

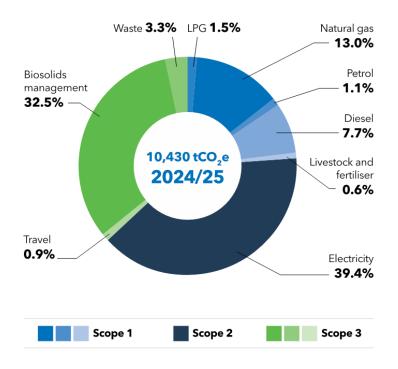
Council's emissions for 2024/25 were 10,430tCO₂e, outlined in Figure 5. This is an 8% reduction on our 2018/19 baseline. We have seen a significant increase in emissions from electricity in 2024/25, which is driven predominantly by a higher share of non-renewable electricity (e.g., coal) in the national supply. Most other emissions sources have also increased, including travel (e.g., flights, hotel stays and rental vehicles) and waste from Council operations. Emissions from natural gas use have decreased by 13% in the last 12 months, resulting in a reduction of 204tCO₂e.

To achieve our 2030 target of 50% reduction in our gross operational emissions, more work is needed. We have reviewed the actions in our emissions reduction plan and will identify additional key actions we need to take. This information will be included for consideration through the 2027-37 Long-Term Plan.

There is room for improvement in how we are measuring and reporting our corporate emissions, as there are many sources that we do not currently account for. This is an area of focus going forward.

Approximately 70% of our total emissions baseline - biogenic and non-biogenic emissions from the WWTP, water treatment plant and pumping water around the city - will be the responsibility of the new Council-controlled Organisation, MAMAL-Flowing Waters, as of 1 July 2026. This change will have an impact on the role and influence that Hamilton City Council has in reducing these emissions and will also affect the corporate emissions targets that we have set. This will be assessed over the next year as more decisions are made in relation to IAWAL.

Figure 5. Hamilton City Council's emissions for 2024/25



City-wide emissions for Hamilton Kirikiriroa

This year we have initiated a project in collaboration with 18 other Councils across Aotearoa New Zealand which will enable us to provide annual updates going forward. This project improves our data collection and provides a more robust methodology for calculating our city-wide emissions. It will mean our emissions profile is able to be compared to other areas of the country and improvements in methodology and data can be identified. An update on city-wide emissions will be provided in the next disclosure report.

Other climate change performance measures

We set a series of measures of success in Our Climate Future to provide a holistic picture of our climate change response. We are still establishing baselines and a regular monitoring schedule for a number of these metrics. We have provided an updated for 2024/25 on the metrics we can measure in Table 2. We will address the data collection, monitoring and reporting processes as part of the strategy review in 2026 and 2027.



2023/24 update **Outcome** Metric Source The amount of residential waste to landfill at Hamilton's Resource Recovery Centre in 2024/25 was 8562 tonnes, equivalent to 45.30kgs per person. This is a reduction on 2023/24 (9805 tonnes, equivalent to 52.91kgs per person). Quantity of Waste collection The amount of waste to landfill through Hamilton's kerbside service (red rubbish material entering reports provided the waste stream is bin) in 2024/25 was 16,694 tonnes, equivalent to 88.33kgs per person. This is a by waste reduction on 2023/24 (18,200 tonnes, equivalent to 98.22kgs per person). decreasing. contractors. Waste to landfill from Council sites for 2024/25 was 1,107 tonnes. This is an 1. By acting together, our emissions increase on 2023/24 (1,072.76 tonnes). are reducing Quality of Life Pulse Survey data showed that in 2021 and 2022, on average There is an 26% of respondents 'didn't know' how they felt about the amount of effort increase in the

Council puts into actions or initiatives to address environmental issues or climate Hamilton

change. In 2025, this has increased to 28% of respondents. This suggests a lack

of awareness among some residents around what Council does to address

these issues. As we implement Our Climate Future and produce annual Our

Climate Statement reports, we aim to see this decrease over time.

Table 2. Additional climate change performance measures from Our Climate Future

community's

response.

awareness of our

climate change

Kirikiriroa Pulse

Survey.

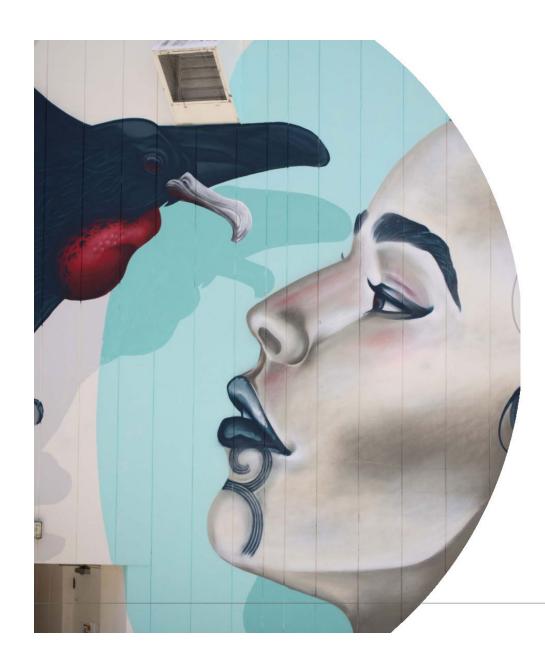
Table 2. Additional climate change performance measures from Our Climate Future

Outcome	Metric	2023/24 update	Source
2. Our neighbourhoods enable low-	Increase in the use of public transport.	The total number of trips in Hamilton increased by 2.8%, with 3,018,725 passenger trips made in 2024/25. However the number of trips per capita in Hamilton has reduced compared to the previous year. 2024/25 saw 16.1 bus trips per capita compared to 16.5 bus trips per capital in 2023/24.1	Waikato Regional Council (WRC) Annual Report data received by staff. <u>See WRC</u> Annual Reports.
	More of our homes and buildings are incorporating sustainable design principles.	Pulse Survey data from 2025 shows that respondents have limited access to the following sustainable resources: home composting (35%), ability to easily charge a hybrid or electric vehicle at home (12%), solar panels (7%), and rainwater tanks (6%). The majority of respondents (53%) said they do not have access to any of these resources. Compared to data from 2023, there has been an increase in the proportion of respondents who state they access home compost, solar panels, and rain water tanks, and a subsequent decline in the proportion who access no environmental initiatives.	Hamilton Kirikiriroa Pulse Survey.
carbon living	Our communities are actively making low-carbon choices as they recognise the benefits of doing so.	Pulse survey data shows Hamiltonians are taking climate action. In 2025, 64% of respondents took actions to manage waste, 52% took purchasing actions such as buying fewer products, 44% took food actions such as eating more plant-based foods, 35% took transport actions such as choosing to walk, bike or bus, 32% talked about climate change issues or solutions with others, and 23% took energy actions such as home upgrades to reduce electricity use. Only 10% of respondents reported not undertaking any actions. These results are similar to those in 2023. Pulse survey data shows that the proportion of Hamiltonians who 'often' consider sustainability and climate change in their decision making has remained the same over the last few years. In 2023, 36% of respondents 'often' considered this, and in 2025, this was 37% of respondents.	Hamilton Kirikiriroa Pulse Survey.

¹This data is subject to audit through the Waikato Regional Council Annual Report.

Table 2. Additional climate change performance measures from Our Climate Future

Outcome	Metric	2023/24 update	Source
3. Our city is ready for Hamilton's climate	Tree canopy cover is increasing across the city.	Tree canopy includes trees and shrubs over 3.5m tall. A baseline of 12.5% was established in 2019/20. Data collected in December 2023 showed that tree canopy cover has reduced to 11.3%.	GIS data collected by Hamilton City Council staff.



Next Steps

Over the last year, we have made improvements in our understanding of climate change risks and opportunities across all areas of governance, strategy, risk management and metrics and targets. The key achievements are outlined in this statement, but we recognise that there is more work to do.

Our priority areas for the next three years are set out in the 2025-28 Climate Change Maturity Roadmap (see Figure 6), which was approved by our Executive Leadership Team in February 2025. We will report progress on these workstreams to our Executive Leadership Team every six months. The impacts that these workstreams have on Council's climate change maturity will be reflected in annual Our Climate Statement reports.

Figure 6. Hamilton City Council 2025-28 Climate Change Maturity Roadmap

Relevant TCFD domain(s)	Area for improvement	Workstream	2025	2026	2027
Governance	Climate Change Policy Ensure consistent, decision-useful climate change	Review Climate Change Impact Assessment and embed across the organisation		_	
	information is provided to leadership and Elected Members	Full Climate Change Policy review			
	Embedding climate change in our strategic	Develop and agree on climate change scenarios			
Strategy	direction Respond to climate change risks and opportunities for Council and Hamilton Kirikiriroa through our	High-level assessment of financial impacts of climate change			
	strategic and financial planning	Integrate climate change into corporate planning processes			
	Climate change risk management Identify, assess, and manage climate change risks for Council and Hamilton Kirikiriroa	Climate Change Risk Assessment for Council			
Risk management		Community Climate Change Risk Assessment for Hamilton Kirikiriroa (unfunded)			
	Council's emissions Measure the full emissions impact of our activities and outline what's required to achieve our targets	Review Council's emission profile and targets and develop an Emissions Reduction Plan for Council	—	—	—
Metrics and targets	City-wide emissions Measure city-wide emissions accurately and frequently	Measure city-wide emissions profile and progress tracking	—	_	_
	Other progress indicators Measure other indicators of climate change response progress, including measures of adaptation and low-carbon transition	Review and improve non-emissions metrics set in Our Climate Future strategy	—	—	_
	Climate change education Strengthen our organisation's understanding of climate change, and leadership and Elected Member oversight of climate change risks and opportunities	Comprehensive education programme for all staff	_	_	_
All		Targeted education for Senior People Leaders, Executive Leadership Team, and Elected Members	_	_	_



Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Sarah Vaz **Authoriser:** Gary Connolly

Position: Accounting Manager **Position:** Chief Financial Officer

Report Name: Audit New Zealand Update

Purpose - Take

- To inform the Strategic Risk and Assurance Committee on the progress of the preparation of the Annual Report for the year ending 30 June 2025 and the associated audit since the last committee meeting.
- 2. To update the Strategic Risk and Assurance Committee in relation to the revaluations for the Annual Report for the year ending 30 June 2025.

Staff Recommendation - Tuutohu-aa-kaimahi

- 3. That the Strategic Risk and Assurance Committee:
 - a) receives the report; and
 - b) notes the risks and impacts in relation to the revaluation of the Waters Reticulation asset classes for the Annual Report for the year ending 30 June 2025.

Executive Summary - Whakaraapopototanga matua

2024-25 Annual Report

- 4. Audit NZ completed its pre-final audit of the 30 June 2025 Annual Report. Draft financial statements have been submitted for review and the final audit commenced on 18 August 2025.
- 5. Audit NZ has provided an update included in **Attachment 1**. Athol Graham, Appointed Auditor, will provide a verbal update on progress at this meeting.

Group Accounting Treatment

- 6. Audit New Zealand agrees with Council's assessment that it is no longer required to prepare Consolidated Financial Statements.
- 7. Council will recognise its investment in Waikato Regional Airport Limited (WRAL) through equity accounting in the Council financial statements (previously at cost) instead of the consolidated financial statements. This will include a prior period restatement.

Revaluations

9. All revaluations due this year except the Water Reticulation revaluations have been completed resulting in a \$303 million uplift to Council's overall asset values.

- 10. The deferral of the Water Reticulation revaluation is expected to result in a qualified audit opinion in respect of the value of those assets.
- 11. Council has begun the process of aligning the revaluation of waters assets with Waikato District Council in preparation for the transfer of assets to IAWAI. Results are expected late 2025.

Discussion – Matapaki

2024-25 Annual Report

- 12. Audit New Zealand has completed its pre-final audit of the Council's Annual Report for the financial year ended 30 June 2025. This phase involved a preliminary review of the financial disclosures, compliance with reporting standards.
- 13. The draft financial statements were submitted in line with the agreed deadline to Audit New Zealand for their final review and audit.
- 14. Audit New Zealand have provided an update which in **Attachment 1**.
- 15. The work programme is scheduled to enable the Annual Report to be adopted by Council on 2 October 2025.

Group Accounting Treatment

- 16. Under New Zealand Generally Accepted Accounting Practice, reporting under NZ PBE Tier 1 Financial Reporting Standards, Council must determine:
 - i. whether or not Council is a controlling entity and is required to produce Consolidated Financial Statements for its Annual Report for the year ending 30 June 2025; and
 - ii. the appropriate presentation for each entity that Council has an investment in or is identified as having a specific interest in that may indicate a level of significant influence or control.
- 17. An assessment was submitted to Audit New Zealand on 16 April 2025 and subsequent to the last report to this Committee, they have agreed that Council is no longer required to prepare group financial statements as Council is no longer a controlling entity.
- 18. Council will recognise its investment of Waikato Regional Airport Limited (WRAL) in the financial statements through equity accounting. It was previously presented at cost in the Council financial Statements and equity accounted in the consolidated financial statements. This will be presented as an accounting change in the current period and include restatement of the value in the prior period.
- 19. Information regarding the shareholding in IAWAI which was established prior to balance date will be included in the disclosures.

Revaluation

20. The following asset classes were due for revaluation in the current year, due to considerations of materiality of the movement in fair values and financial policy guidance.

Asset Classes	Revaluation	Revalued Depreciated	Current Year
	Status	Replacement Cost	Revaluation
		(\$ million)	Gain / (Loss) (\$million)
Land	Competed	\$1,023	\$13.7
Operational Buildings	Completed	\$733	\$185.4
Investment Property	Completed	\$32	(\$0.6)
Treatment Plant & Reservoir	Completed	\$440	\$104.5
Building			
Water Treatment Plant			
Water Supply Plant			
Stormwater Reticulation	Deferred pend	ding completion of addition	onal work to validate
Wastewater Reticulation	correct financ	ial measurement ahead o	of the transfer to the
Water Supply Reticulation	Council Contr	olled Organisation. Refer	below.

- 21. Council did not book the reticulation revaluations for Stormwater, Wastewater and Water Supply meaning the 2024/25 annual report does not incorporate the revised values which is likely to lead to a qualified audit opinion. Council has begun the process of aligning the revaluation of waters assets with Waikato District Council in preparation for the transfer of assets to IAWAI. This process includes the assessment of the assumptions on which unit rates and methodology were calculated for the draft results previously presented to determine their appropriateness. These results are likely only going to be available late in 2025.
- 22. Non-recognition of the revaluation as at 30 June 2025 is expected to result in a qualified audit opinion in respect to the values of the waters reticulation asset book values in the 2024/25 Annual Report and a qualification over the opening balances in the 2025/26 Annual Report due to the materiality of these asset books and the movements in the fair value of those assets.
- 23. The risks for non-recognition are limited to potential reputational risks and are not considered to have any operational or strategic impacts on the Council's water activities in the next year.
- 24. Should the valuations be confirmed to result in a significant uplift in value there could be material impact on depreciation in the 2025-26 year. However, the values of the renewals spend in over the Long-Term Plan period are not expected to be impacted.

Work in progress (WIP)

25. Work in progress (WIP), excluding vested and intangible assets, at year end totalled \$638m, with the balance of WIP which has an in-use date on or before 30 June 2025 has grown to \$387m from the prior year balance of \$284m. This will be a focus of audit.

	\$ Million
Current	\$250
WIP in use and being processed	\$89
WIP in use	\$299
WIP Balance	\$638

26. There are multiple reasons for the growth of this balance and staff have put in place some measures to progress these items. This includes resources to focus on areas which are creating the bottleneck and governance structures to resolve long outstanding matters.

Options - Koowhiringa

27. No options are available for Council to consider. The Council has already provided determination on the revaluation options for the Waters Reticulation revaluation.

Financial Considerations - Whaiwhakaaro Puutea

28. The cost of this engagement is funded through the 2024-34 Long Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

29. Staff confirm that matters in this report comply with the Council's legal and policy requirements.

Risks – Tuuraru

30. There are no known risks associated with the decisions sought in this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 31. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 32. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 33. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways.

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.
	Community views and preferences were already known to the Council through the consultation of the Long-Term Plan 2024-34.
	Given the low level of significance determined, the engagement level is low. No engagement is required.
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the <u>Climate Change Policy</u> for both emissions and climate change adaptation, noting that a Climate Report is produced in conjunction with the Annual Report.Staff have determined no adaptation or emissions assessment is required.
Disability Action Plan	Staff have considered the Disability Action Plan and determined that there are no specific or relevant goals applicable to this report.

Attachments - Ngaa taapirihanga

Attachment 1 - Audit New Zealand Update



AUDIT NEW ZEALAND Mana Arotake Aotearoa

Report to the Hamilton City Council Strategic Risk and Assurance Committee

This report provides an update to the Strategic Risk and Assurance Committee (the Committee) on the 30 June 2025 annual report audit.

This report was prepared on 29 August 2025.

1 30 June 2025 annual audit update

We included what we consider to be key risks and issues relevant to the audit in our Audit Plan dated 21 March 2025 for the 30 June 2025 audit. This report provides an update on the status of those issues and the audit progress to date.

The final audit started on 18 August 2025. The Council staff provided us with the draft financial statements and a draft statement of service performance on 14 August 2025. This deadline was agreed between us and management as detailed in our milestone report dated 15 July 2025.

Overall, the audit is progressing well. Audit Dashboard is working well, and most audit requests were uploaded prior to the audit starting on 18 August. Management and the audit team are working collectively to ensure any concerns are addressed early.

While our audit work is ongoing, we currently expect to meet the key milestone to enable the Council to adopt the audited annual report at the Council meeting on 2 October 2025.

1.1 Key risks and issues

We have used our knowledge of the sector, and the Council's operating environment and business to identify and assess the risks of material misstatement in the financial statements and/or in the service performance information. As a result, the key risks and issues identified to date are:

- valuation of infrastructure assets;
- fair value assessment of infrastructure assets (non-revaluation year);
- fair value of investment property;
- accounting for impairment, capitalisation of costs and recognition of completed assets;

1

- reporting entity financial statements; and
- risk of management override of internal controls.

We have set out below, the status of each of these risks and issues as at 28 August 2025. We will report our findings on these matters in our final management report.

1.1.1 Valuation of infrastructure assets

The Council performed a valuation of its land, buildings and water supply and wastewater treatment plants as at 30 April 2025. We are the process of auditing these valuations and no significant issues have been identified to date.

The Council also engaged Beca to value its other water supply and wastewater assets, as well as its stormwater assets. The value of these assets is not included in the 2024/25 financial statements due to management's concern with the size of the valuation movement relative to their expectations. Because evidence suggests there is a material movement in each of the three waters asset classes since the last valuation, we are expecting to issue a qualified audit opinion.

An Opinions Review Committee meeting is being held on 28 August 2025. We will provide a verbal update to the SRAC on the outcome of this meeting.

1.1.2 Fair value assessment of infrastructure assets (non-revaluation year)

The Council's roading, parks and gardens assets were last revalued as at 30 April 2023, while refuse and heritage assets were revalued at 30 April 2022 and 30 June 2021, respectively. Management has prepared a fair value assessment to determine if there is a material difference between the fair value and carrying value. Management has concluded there is no material difference, so revaluation is not required.

We reviewed management's assessment and conducted our own assessment and agree with management there is no material difference.

1.1.3 Fair value of investment property

The Council is required to revalue its investment property annually in accordance with accounting standard PBE IPSAS 16 *Investment Property*. We are in the process of auditing this valuation. No issues have been identified to date.

1.1.4 Accounting for impairment, capitalisation of costs and recognition of completed assets

We are in the process of auditing the Council's work-in-progress (WIP) balance of \$250.607 million. We have been advised by management that, in addition, a total of \$386.243 million of WIP was completed and in use at year end but had not been capitalised in the system.

Our findings will be reported in the final management report and intend carrying forward our previous recommendation to capitalise completed projects in the asset system when

they are completed. Continuing to record assets outside the asset system increases the risk of errors in the asset balance and related depreciation expense.

1.1.5 Reporting entity

Management has considered whether group financial statements are still required to be prepared following the disestablishment of Waikato Innovation Growth Limited in the 2024 financial year. They have also performed an assessment to determine whether the City Council has control over the Waikato Regional Property Trust (the Trust).

The City Council provided grant funding of \$24.65 million up to 30 June 2024 to the Trust for the construction of the Waikato Regional Theatre which included conditions in favour of the Council. The Long-term Plan also committed annual funding for each year of the plan towards the maintenance of the theatre building.

We reviewed management's assessment and agreed that the Trust is not controlled by the City Council for financial reporting purposes and agreed that group financial statements are no longer required to be prepared.

1.1.6 The risk of management override of internal controls

Management is a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it results in an inherent risk of a material misstatement due to fraud, which audit standards require us to treat as a significant risk in every audit.

To address the risk of management override, we will conduct substantive audit procedures. These included reviewing journal entries, accounting estimates and significant transactions that are outside the normal course of business.

We have not yet completed our work on this risk. Any matters of concern will be discussed with management.

1.2 Other matters

During the audit process we have identified the following matters we are working with management on. They are:

1.2.1 Sale of properties

We understand the Council has sold some properties to an external party. This external party will also develop some of Council properties. Management has prepared an assessment of how the sale of these properties should be treated in the financial statements for the year ended 30 June 2025. We are in the process of reviewing these transactions and the accounting treatment in the 2025 financial statements.

1.2.2 Development agreement

The Council has entered into a development agreement with an external party that will also fund and construct stormwater infrastructure ahead of the planned LTP schedule, to enable the development of the greenfield area. The Council will reimburse the company for the costs incurred when the LTP funding becomes available. Separately, the agreement provides offsets against the company's stormwater development contributions, based on designated stormwater infrastructure land that has been vested to Council for a nominal sum.

Management has prepared an assessment of the accounting treatment for this development. We are in the process of reviewing the assessment. The impact on the 2024/25 financial statements is unlikely to be material. As the amounts are expected to be material in future annual reports, we will work with management to ensure the proposed accounting treatment complies with accounting standards.

1.2.3 Pro forma review of the annual report

The Council provided pro forma draft financial statements and statement of service performance prior to the audit starting on 18 August 2025. We reviewed the proforma and provided areas for improvement to the Council.

1.3 Material performance measures

In the Audit Plan, we advised the material performance measures we would test are:

- water supply the extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules;
- wastewater the number of abatement notices received in relation to resource consents for discharge from the wastewater system and the number of infringement notices, enforcement orders and convictions received in relation to resource consents for discharge from the wastewater system;
- wastewater the number of dry weather wastewater overflows from the wastewater system;
- stormwater the number of abatement notices related to the management of the stormwater system and the number of infringement notices, enforcement orders and convictions related to the management of the stormwater system;
- transport the percentage of customer service requests relating to roads and footpaths that are responded to within five working days;
- transport the average quality of ride on Hamilton's sealed local road network, measured by smooth travel exposure;
- transport travel times are predictable during peak hours;

- building consents the percentage of building consent applications issued within statutory timeframes; and
- resource consents the percentage of new resource consent applications processed within statutory timeframes.

We are in the process of auditing these material measures and no significant concerns identified have been to date.

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Sarah Vaz **Authoriser:** Gary Connolly

Position: Accounting Manager **Position:** Chief Financial Officer

Report Name: KPMG - Internal Audit Update

Report Status	Open

Purpose - *Take*

 To inform and update the Strategic Risk and Assurance Committee on the programme of independent assurance activity through internal audits being undertaken by KPMG across Council since the last quarter.

Staff Recommendation - Tuutohu-aa-kaimahi

2. That the Strategic Risk and Assurance Committee receives the report.

Executive Summary - Whakaraapopototanga matua

- 3. Council's risk management programme includes the completion of independent assurance in the form of audits completed by both external agencies and internal Council Staff.
- 4. This report identifies and provides an update to the Committee on the programme of independent assurance undertaken by KPMG through internal audits as requested by management or the Committee as part of its risk management programme.
- 5. Key updates on the KPMG internal audit assessments addressed in this report are:
 - Scope for the Future Fit Programme Controls Impact Assessment is currently being finalised, with fieldwork scheduled to commence in mid-September 2025;
 - ii. KPMG has commenced the Internal Audit Plan Refresh process for the FY26 Internal Audit Plan;
 - iii. Following our initial discussion with the CFO, KPMG has developed an audit universe aligned to Strategic and Operational risks. Engagements are being held with key stakeholders to validate and refine this universe; and
 - iv. The proposed audit universe will be presented to Council to ensure alignment with its expectations and priorities ahead of the December Audit and Risk Committee meeting. The Draft FY26 Internal Audit Plan will then be formally presented at the December meeting for review and approval.

Discussion – Matapaki

6. Council's risk management programme includes the completion of independent assurance in the form of audits completed by both external agencies and internal Council Staff.

- 7. This report identifies and provides an update to the Committee on the programme of independent assurance undertaken by KPMG through internal audits as requested by management or the Committee as part of its risk management programme.
- 8. Since the last report to this committee, there are two updates to note:
 - KPMG Internal Audit Plan progress summary FY2025
 The table below provides a summary of the FY2025 Internal Audit program.

Engagement	Current Status
Climate Change Maturity Assessment	Deferred until FY2026
Cyber Security Review	Completed by an alternate provider
Communication Integrity Review	Completed by an alternate provider
Future Fit and Simplification Programme Controls Impact Assessment	Fieldwork to be kicked off in September 2025

ii. As part of the FY2025 Internal Audit Plan, KPMG has initiated the plan refresh process. Initial discussions have been held with key stakeholders for the Internal Audit Plan development. The refreshed Internal Audit Plan will be presented at the first meeting of the relevant Committee meeting in the new term for approval.

Options – Koowhiringa

9. No options are available for the Committee to consider at this meeting. Further work will be undertaken and then presented to the incoming Council following the October Election.

Financial Considerations - Whaiwhakaaro Puutea

10. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

11. Staff confirm that the matters in this report comply with the Council's legal requirements.

Risks – Tuuraru

- 12. The internal audit function contributes to address the risk of failure to maintain trust and confidence of stakeholders by providing independent assurance across a range of Council activities.
- 13. There are no known risks associated with the decisions sought in this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 14. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 15. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 16. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways:

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report
	I Engagement i oney and have assessed that the matter(s) in this report

	has/have a low level of significance.
	Given the low level of significance determined, the engagement level is low. No engagement is required.
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the <u>Climate Change Policy</u> for both emissions and climate change adaptation. Staff have determined no adaptation or emissions assessment is required.

Attachments - Ngaa taapirihanga

There are no attachments for this report.

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Sarah Vaz **Authoriser:** Gary Connolly

Position: Accounting Manager **Position:** Chief Financial Officer

Report Name: Other Independant Assurance Update

Report Status	Open

Purpose - *Take*

 To inform the Strategic Risk and Assurance Committee on the programme of other independent assurance activity, outside of Audit New Zealand external audits and KPMG internal audits occurring across Council as of 31 July 2025.

Staff Recommendation - Tuutohu-aa-kaimahi

2. That the Strategic Risk and Assurance Committee receives the report.

Executive Summary - Whakaraapopototanga matua

- 3. Council's risk management programme includes the completion of independent assurance in the form of audits completed by both external agencies and internal Council Staff.
- 4. This report identifies and informs the Committee on the programme of independent assurance by external parties other than Audit New Zealand or KPMG, undertaken as compulsorily required through legislation or in compliance with the delivery of Council activities, or as requested by management or the Committee as part of its risk management programme.
- 5. This report highlights updates on the audit assessments listed within **Attachment 1**.
- 6. Staff consider the matter has no known risks for the matters outlined in the report.
- 7. Staff consider the matters in this report have a low significance and that the recommendations comply with the Council's legal requirements.

Background - Koorero whaimaarama

8. Council's risk management programme includes the completion of independent assurance in the form of audits completed by both external agencies and internal Council Staff in line with the "Four Lines of Defence Model" as recommended by the Institute of Internal Auditors New Zealand (IIANZ) and Chartered Accountants Australia and New Zealand (CAANZ):



- 9. Internal audit assessments are generally undertaken by external agencies rather than Council internal audit staff as Council no longer has a dedicated internal audit function. These assessments will normally be undertaken by our appointed internal audit agency KPMG, or where appropriate based on specialist skills and experience may be undertaken by other external independent parties.
- 10. The external audits on behalf of the Office of the Auditor General by Audit New Zealand, and the programme of internal audits undertaken by KPMG from 2024, and PricewaterhouseCoopers prior to the appointment of KPMG, are addressed in separate reports to the Committee on this agenda.
- 11. On occasion internal audit assessments may be undertaken by appropriate Council staff based on specialist skills and experience and reported to the Committee for assurance. These will only be considered as internal audit assessments, in line with the "Four Lines of Defence Model" as recommended by the Institute of Internal Auditors New Zealand (IIANZ) and Chartered Accountants Australia and New Zealand (CAANZ), where appropriate levels of independent and objective assurance are evident.
- 12. This report identifies and provides an update to the Committee on the programme of independent assurance by external parties other than Audit New Zealand or KPMG, or Council staff, undertaken as compulsorily required through legislation or in compliance with the delivery of Council activities, or as requested by management or the Committee as part of its risk management programme.

Discussion – Matapaki

- 13. A detailed listing of the assurance engagements, their purpose and the schedule of assessments are provided in **Attachment 1**.
- 14. As reported to the Committee in June the Health & Safety ISO45001 Stage 1 audit was completed and Stage 2 is due to start in November 2025. Recommendations for improvements have been recorded in the Organisational Improvement Register for tracking.
- 15. As detailed in the Schedule of Assurance Activities provided in **Attachment 1**, upcoming audits for the next quarter include:
 - i. MPI accreditation for Animal Containment October 2025; and
 - ii. ZAA Zoo Accreditation October 2025

Options – Koowhiringa

16. No options are available for Council to consider.

Financial Considerations - Whaiwhakaaro Puutea

17. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

18. Staff confirm that the matters in this report comply with the Council's legal requirements.

Risks – Tuuraru

19. External assurance helps address the strategic risk of maintain trust and confidence of stakeholders. There are no known risks associated with the decisions sought in this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 20. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 21. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 22. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways.

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance. Given the low level of significance determined, the engagement level is low. No engagement is required.
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the Climate Change Policy for both emissions and climate change adaptation. Staff have determined no adaptation or emissions assessment is required.

Attachments - Ngaa taapirihanga

Attachment 1 - Schedule of Assurance Activities

HAMILTON CITY COUNCIL - INTERNAL AUDIT SCHEDULE OF OTHER INDEPENDENT ASSURANCE ACTIVITIES JULY 2025

Business Unit	Nature of assurance	Purpose	Assurance provider	Last assessment	Next assessment
Te Kaaroro Zoo and Waiwhakareke	Animal Containment Facilities Accreditation	MPI accreditation ensuring that Council has meet the rigorous requirements for animal welfare, safety, and containment as a containment facility and container transitional facility under Environmental Protection Authority (EPA) standards and legislation. This accreditation provides public assurance that these facilities operate to nationally approved standards and manage exotic species responsibly.	Ministry of Primary Industries (MPI)	October 2024	October 2025
Aquatics	Poolsafe Quality Management Scheme (Poolsafe)	Poolsafe audit of Council's aquatic facilities assesses and certifies that the facilities meet nationally recognised standards for safety, supervision, and water quality. This provides assurance to the public that the facility is managed in a way that prioritises health, safety, and best practice operations.	Poolsafe	March 2025	March 2026
Regulatory Services	Building Consent Authority Accreditation (BCA)	BCA accreditation ensures Council has the necessary systems, processes, and competencies to perform building control functions effectively and in compliance with the Building Act 2004. This accreditation provides assurance to the public that building consents are assessed and approved to consistent, nationally accepted standards.	International Accreditation New Zealand (IANZ)	May 2024	May 2026
Hamilton Gardens and others	Hazardous Substances Certification	Hazardous substances certification for Council facilities such as Hamilton Gardens, ensures that any hazardous materials such as fuels, fertilisers, or pesticides, are safely stored, handled, and used in accordance with legislation. Certification provides assurance that the facility meets legal safety standards and protects staff, visitors, and the environment from potential harm.	Inferno Consultants	November 2024	November 2027

TABLE 1: COMPLIANCE AND ACCREDITATION ASSURANCE ACTIVITIES					
Business Unit	Nature of assurance	Purpose	Assurance provider	Last assessment	Next assessment
Te Kaaroro Zoo and Waiwhakareke	ZAA Zoo Accreditation	ZAA accreditation process is designed to assess and recognize zoos that meet high standards of animal welfare, conservation and operational excellence.	Zoo and Aquarium Association (ZAA)	2020	October 2025
Te Kaaroro Zoo and Waiwhakareke	Compliance to Hold Wildlife	DOC assessment identifies whether the Council meets legal and operational requirements related to animal welfare, biosecurity, conservation objectives and facility standards.	Department of Conservation	December 2024	December 2029
Transportation	NZTA Waka Kotahi investment audit	Provides assurance that the NZTA's investment in Council's land transport programme is being well managed and delivering value for money, and that Council is appropriately managing risk associated investment with recommended improvements made where appropriate.	NZTA	April 2024	Estimated Mid 2026 (to be confirmed)

TABLE 2: OTHER SPECIF	TABLE 2: OTHER SPECIFIC ASSURANCE ACTIVITIES				
Business Unit	Nature of assurance	Purpose	Assurance provider	Assessed	Reassessment
Health safety and wellbeing	Health & Safety ISO45001	Assess whether Council's occupational health and safety management systems meet the internal ISO45001 standard. Ensuring Council systematically manages health and safety risks, promotes a safe working environment, and demonstrates its commitment to continuous improvement and legal compliance.	Telarc	Stage 1 June 2025 Stage 2 November 2025	November 2027
Communications	Communications Integrity review	Evaluating the effectiveness of the Council's communication strategy, focusing on external environment impacts, overall strategy, misinformation management, and emergency communications readiness. This includes assessing how well the Council identifies and manages misinformation related to its activities.	Arkus Communications Ltd	May 2025	N/A

TABLE 2: OTHER SPECIFIC	TABLE 2: OTHER SPECIFIC ASSURANCE ACTIVITIES				
Business Unit	Nature of assurance	Purpose	Assurance provider	Assessed	Reassessment
Digital services	, , ,	, 0	PWC	2022	
,	rocesses, capabilities and culture.	KAON Security Services	December 2024		
Digital services	External Penetration Test	Identify and address vulnerabilities in Council systems or website, ensuring external links and interfaces are secure against unauthorized access, data breaches, or cyberattacks. Helps protect sensitive information, maintain public trust, and comply with cybersecurity good practices and legal obligations.	KAON Security Services	November 2024	March 2026

OTHER GENERAL MANAGEMENT ASSURANCE ACTIVITIES				
Nature of assurance Purpose		Auditing partner	Period of assessment	
Waste water audits	Assess the efficiency, compliance and environmental impact of wastewater systems, of Council facilities to ensure they meet regulatory standards and support sustainable water management.	Co-Lab Solutions	Annual programme of audits	
Trade waste audits	Verifying that Council operations comply with trade waste bylaws and discharge limits, ensuring the organisation meets the same environmental and infrastructure protection standards expected of other trade wate customers.	Co-Lab Solutions	Annual programme of audits	
Building warrant of fitness audits	Ensuring specified building systems such as fire alarms, lifts and emergency lighting are regularly inspected, maintained and compliant with legislation. Assurance that Council-owned buildings are safe, functional, and legally maintained for public and staff use.	Cove Kinlock and others	Annual programme of audits	

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Sarah Vaz **Authoriser:** Gary Connolly

Position: Accounting Manager **Position:** Chief Financial Officer

Report Name: Organisational Improvement Report

Report Status	Open
ricport status	Open

Purpose - Take

1. To inform the Strategic Risk and Assurance Committee on the status of Council's Organisational Improvement Register as of 31 July 2025.

Staff Recommendation - Tuutohu-aa-kaimahi

2. That the Strategic Risk and Assurance Committee receives the report.

Executive Summary - Whakaraapopototanga matua

- 3. Council's risk management programme includes the completion of external audits by Audit New Zealand, Office of the Auditor General (OAG), Waka Kotahi (New Zealand Transport Agency), Ministry of Business, Innovation and Employment (MBIE) and others, and internal audits by PricewaterhouseCoopers (PwC), KPMG and Council staff.
- 4. **Attachment 1** to this report is the Organisational Improvement Register, listing all remaining high-risk items that have been identified through audits.
- 5. Staff consider the matters have low significance and that the recommendations comply with Council's legal requirements.

Discussion – Matapaki

Organisational Improvement Register

- 6. The Organisational Improvement Register contains a detailed breakdown of all internal and external audit recommendations identified through Council's risk management programme. They are categorised by risk (low, moderate, high) and by their status (complete and ready for reauditing, in progress, delayed or not yet started). For the items that are complete, the next audit round needs to occur before they can be cleared from the register.
- 7. All 'in progress' or 'delayed or not yet started' items are actively monitored on a quarterly basis.

8. The tables below summarise the status of the high-risk items contained within the attached Organisational Improvement Register.

Auditors	Complete	In progress	Delayed or not yet started	Not due yet	Total
PwC Internal Audits	0	1	1	0	2
KPMG Internal Audits	0	5	0	0	5
Other Audits	0	0	0	2	2
Total	0	6	1	2	9

Risk	Complete	In progress	Delayed or not yet started		Total
High	0	6	1	2	9
Total	0	6	1	2	9

9. Once the audit reports have been finalised, any recommendations will be included in the organisational improvement register.

Financial Considerations - Whaiwhakaaro Puutea

10. This is a regular operating activity funded through the Long-Term Plan.

Legal and Policy Considerations - Whaiwhakaaro-aa-ture

- 11. Staff confirm that matters in this report comply with the Council's legal and policy requirements.
- 12. Staff have also considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment are not required for the matters in this report.

Risks - Tuuraru

13. There are no known risks associated with the decision sought by this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 14. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 15. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 16. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways.

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance. Given the low level of significance determined, the engagement level is low. No engagement is required.
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the Climate Change Policy for both emissions and climate change adaptation, noting that a Climate Report is produced in conjunction with the Annual Report. Staff have determined no adaptation or emissions assessment is required.

Item 13

Attachments - Ngaa taapirihanga

Attachment 1 - Organisational Improvement Report

ID Number	Description	Audit Recommendation	Risk	Date raised	Owner	Status	Status Update
Dat-E 3060	Business Continuity Management D-						
Ent-E 3063	Development and implement a resilience training and testing programme	Development and implement a resilience training and testing programme.	High	Oct-22	Nicholas Whittaker	Delayed or not started	This programme of work has been delayed due to resource constraints. This treatment plan will be put on hold until mid- 2025, following the roll out of the refreshed business continuity management framework.
Dat-E 3100	GST & FBT Compliance Evaluation						
Ent-E 3115	Motor Vehicle Fleet Listing Accuracy	Ensure that asset listing is up to date reflecting current vehicles, their category for FBT purposes and who they are being used by. This should be regularly updated to ensure it remains accurate. FBT categories should include work-related, full private use, pooled and no private use vehicles to support FBT compliance.	High	Feb-23	Louise Milicich	In progress	The Fleet master data is up to date reflecting current vehicles, who they are used by and whether a vehicle is F8T exempt or not. It gets updated regularly as changes occur. It does not yet include the F8T categories for each of the vehicles.
DAT-E 3299	Procurement review						
Ent-E 3300	Align on Strategy	ELT to align & communicate an organisation-wide procurement strategy that aligns with wider goals.	High	Aug-24	Igor Magud	In progress	
Ent-E 3303	Improve adherence	Implement controls and test mechanisms to monitor compliance. Hold individuals and teams accountable to manage risk.	High	Aug-24	Igor Magud	In progress	KPMG concluded their workstream activity; after two wide ranging workshops with cross functional representation from staff, and a final output report to ELT in July.
Ent-E 3304	Regular, compulsory training	Establish a routine for risk and procurement training for all relevant personnel and contractors.	High	Aug-24	Igor Magud	In progress	ELT endorsed a move to a hybrid procurement structure, and to begin progress on Phase I of transformation- a 17 point
Ent-E 3314	Create collaboration framework	Set up a frameworks for collaboration across all units. Make CP an enabler and clear choice for support.	High	Aug-24	Igor Magud	In progress	plan spanning 6 key design layers- delivery model / people / process / governance / technology / performance & insights
Ent-E 3319	Standardise spend analysis	Set up spend analysis dashboards for transparency and to raise awareness of supplier use and collaboration opportunities.	High	Aug-24	Igor Magud	In progress	
DAT-E 3335	Health and safety						
ENT-E 3336	Review of Core Management System Documentation	Consider standardising safety-related processes across platforms to ensure consistency and align the framework to the safety management systems implemented. HCC could add the Health & Safety Statement of Commitment to its external website alongside the other policies.	High	Jun-25	Marie Snowball	Not Started	Health and Safety Team has scheduled the work to commence Aug 2025
ENT-E 3337	Emergency Preparedness and Response	It is recommended that the organisation consider expanding drill scenarios to include other emergency types (e.g. chemical spills, natural disasters, medical emergencies) to build broader preparedness across all potential risk areas.	High	Jun-25	Trish Ambury	Not Started	Facilities Team has scheduled this work to commence Sep 2025

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Michelle Hawthorne **Authoriser:** Janet Carson

Position: Governance and Assurance **Position:** General Manager

Manager Partnerships,

Communication & Maaori

Report Name: Compliance Reporting Update

Purpose - Take

- To inform the Strategic Risk and Assurance Committee of any protected disclosures or instances of fraud or corruption since the last Strategic Risk and Assurance Committee Meeting.
- 2. To inform the Strategic Risk and Assurance Committee of any matters of significant non-compliance with the Privacy Act 2020.
- 3. To inform the Strategic Risk and Assurance Committee of the status of Council's policy reviews.

Staff Recommendation - Tuutohu-aa-kaimahi

4. That the Strategic Risk and Assurance Committee receives the report.

Executive Summary - Whakaraapopototanga matua

- 5. There is one protected disclosure to report since the last Strategic Risk and Assurance Committee Meeting.
- 6. There are no instances of fraud or corruption to report since the last Strategic Risk and Assurance Committee Meeting.
- 7. There are no notifiable breaches of the Privacy Act 2020 to report since the last Strategic Risk and Assurance Committee Meeting.
- 8. A list of current Council and Management Policies is set out in the report.
- 9. Staff consider the matters in this report have a low level of significance and no known risk and that the recommendations comply with Council's legal requirements.

Discussion - Matapaki

Protected Disclosures

10. At the time of writing the report, there is one protected disclosure to report to the Strategic Risk and Assurance Committee, noting that further discussion on this topic will be part of the Public Excluded agenda.

Fraud and Corruption

- 11. At the time of writing the report, there are no instances of fraud or corruption internally to report to the Strategic Risk and Assurance Committee.
- 12. The Committee was updated at its last meeting on the fraud perpetrated by a third party in relation to Building Consents. This was subsequently reported to Council and a further update is provided in the Legal Risk Public Excluded Report in this agenda.

Privacy Act 2020

13. At the time of writing the report, there are no notifiable breaches of the Privacy Act 2020 to report to the Committee.

15 August – Policies Overview

14. A list of the status of current Council and Management Policies is provided in Attachment 1.

Financial Considerations - Whaiwhakaaro Puutea

15. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

16. Staff confirm that the recommendation complies with the Council's legal and policy requirements.

Risks – Tuuraru

17. There are no known risks associated with the decisions sought in this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 18. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 19. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 20. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways.

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.		
	Given the low level of significance determined, the engagement level is low. No engagement is required.		
He Pou Manawa Ora - Pillars of Wellbeing	As reported in Attachment 1 , staff are currently developing and reviewing the Te Reo Maaori and the Te Tiriti o Waitangi policies.		

	The Naming of Roads, Open Spaces, and Council Facilities Policy is also directly related to He Pou Manawa Ora with a specific link to HPMO within the principles.	
	Other polices do address aspects of He Pou Manawa Ora, however the above policies are directly linked.	
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the <u>Climate Change Policy</u> for both emissions and climate change adaptation. Staff have determined no adaptation or emissions assessment is required.	
Disability Action Plan	The Disability Policy (Council) is set to be reviewed later this year, and the Disability Advisory Group will be a key stakeholder through this process.	4

Attachments - Ngaa taapirihanga

Attachment 1 - Council and Management Policies Update - August 2025

Council policies and bylaws update as of 15 August 2025

KEY

Review in progress / In development
Due for review / Review deferred or
Review on hold, due to prioritisation,
resourcing or pending legislation change
/ Under consideration
Current

Council Policies

		COUNC	IL POLICIES			
Committee	Policy	Group	Last reviewed date	Next review date	Status	Related Legislation
Council	Corporate Hospitality and Entertainment Policy	Partnerships Communication and Maaori	Jul-15	Jul-18	Review in progress	n/a
Infrastructure and Transport	Hamilton Gateways Policy	Infrastructure and Assets	Dec-15	Oct-18	Review in progress	n/a
Infrastructure and Transport	Streetscape Beautification and Verge Maintenance Policy	Infrastructure and Assets / Customer and Community	Nov-12	Nov-18	Review in progress	n/a
Community and Natural Environment	Citizens Initiated Referenda Policy	Partnerships, Communication and Maaori	Aug-24	Jul-27	Current	Local Electoral Act 2001
Community and Natural Environment	Community Occupancy Policy	Customer and Community	Nov-18	Apr-21	Review deferred	n/a
Community and Natural Environment	Open Space Provision Policy	Customer and Community	Apr-24	Apr-27	Current	n/a
Community and Natural Environment	TAB Board Venue Policy	Strategy, Growth and Planning	Oct-23	Oct-26	Current	Racing Industry Act 2020
Economic Development	Business Improvement District (BID) Policy 2019	Strategy, Growth and Planning	May-25	May-28	Current	n/a

COUNCIL POLICIES							
Committee	Policy	Group	Last reviewed date	Next review date	Status	Related Legislation	
Strategic Growth and District Plan	Sale and Disposal of Council Land Policy	Strategy, Growth and Planning	May-23	May-26	Current	n/a	
Community and Natural Environment	Class 4 Gambling Venue Policy	Strategy, Growth and Planning	Oct-23	Oct-26	Current	Gambling Act 2003	
Council	Delegations to Positions Policy	Partnerships, Communication and Maaori	Jun-23	Jun-26	Review in progress	n/a	
Economic Development	Appointment and Remuneration of Board Members of COs, CCOs and CCTOs Policy	CFO /Strategy, Growth & planning	Aug-24	Aug-27	Current	Local Government Act 2002	
Community and Natural Environment	Dog Control Policy	Customer and Community	July-25	July-30	Current	Dog Control Act 1996	
Infrastructure and Transport	Dangerous and Insanitary Buildings Policy	Customer and Community	Aug-23	Aug-26	Current	Building Act 2004	
Strategic Growth and District Plan	Growth Funding Policy	Strategy, Growth and Planning	Jul-24	Jui-27	Current	n/a	
Strategic Risk and Assurance	Risk Management Policy	Partnerships, Communication and Maaori / CFO	May-24	May-27	Current	n/a	
Community and Natural Environment	Community Grants Policy	Partnerships, Communication and Maaori	Oct-23	Oct-26	Review in progress*	n/a	
Council	Significance and Engagement Policy	Partnerships, Communication and Maaori	Dec-23	Dec-26	Current	Local Government Act 2002	
Economic Development	Municipal Endowment Fund Policy	Strategy, Growth and Planning	Oct-23	Oct-26	Current	n/a	

COUNCIL POLICIES							
Committee	Policy	Group	Last reviewed date	Next review date	Status	Related Legislation	
Community and Natural Environment	Smokefree and Vapefree Outdoor Areas Policy	Customer and Community	Sep-20	Sep-23	Review deferred	n/a	
Infrastructure and Transport	Three Waters Connections Policy	Infrastructure and Assets	Sep-20	Sep-23	Review in progress	n/a	
Community and Natural Environment	City Honours Policy	Partnerships, Communication and Maaori	Oct-20	Oct-23	Review deferred	n/a	
Community and Natural Environment	Psychoactive Substances (Local Approved Products) Policy	Strategy, Growth and Planning	Oct-18	Oct-23	Review on hold	Psychoactive Substances Act 2013	
Community and Natural Environment	Domain Endowment Fund Policy	Strategy, Growth and Planning	Nov-20	Nov-23	Review deferred	n/a	
Community and Natural Environment	Trading in Public Places Policy	Customer and Community	Dec-20	Dec-23	Review in progress	n/a	
Economic Development	International Relations Policy	Mayoral Office	Mar-21	Mar-24	Review deferred	n/a	
Strategic Growth and District Plan	Development Contributions Policy	Strategy, Growth and Planning	Jul-24	Jul-27	Current	Local Government Act 2002	
Finance and Monitoring	Funding Needs Analysis Policy	CFO	Jun-25	Jun-27	Current	Local Government Act 2002	
Finance and Monitoring	Investment and Liability Management Policy	CFO	Jun-24	Jun-27	Current	Local Government Act 2002	
Finance and Monitoring	Rates Remissions and Postponements Policy	CFO	Jul-24	Jul-27	Current	Local Government Act 2002	

COUNCIL POLICIES							
Committee	Policy	Group	Last reviewed date	Next review date	Status	Related Legislation	
Finance and Monitoring	Rating Policy	CFO	Jun-25	Jun-27	Current	Local Government Act 2002; Local Government Rating Act 2002	
Finance and Monitoring	Revenue and Financing Policy	CFO	Jun-25	Jun-27	Current	Local Government Act 2002	
Community and Natural Environment	External Funding Applications Policy	Partnerships, Communication and Maaori	Oct-23	Oct-26	Current	n/a	
Economic Development	Freeholding of Council Endowment Land Policy	Strategy, Growth and Planning	Aug-24	Aug-27	Current	Hamilton Domain Endowment Act 1979	
Council	Delegations to officers specific to the Resource Management Act 1991	Strategy, Growth and Planning	Oct-21	Oct-24	Review on hold	Resource Management Act 1991	
Community and Natural Environment	Monuments and Memorial Art Policy	Customer and Community	Nov-21	Nov-24	Review deferred	n/a	
Community and Natural Environment	Permanent Public Art Policy	Customer and Community	Nov-21	Nov-24	Review deferred	n/a	
Economic Development	Event Sponsorship Policy	Destinations	Apr-25	Apr-28	Current	n/a	
Community and Natural Environment	Naming of Roads, Open Spaces and Council Facilities Policy	Infrastructure and Assets	Jun-22	Jun-25	Review deferred	n/a	
Infrastructure and Transport	Hamilton Parking Policy	Infrastructure and Assets	Mar-24	Mar-27	Current	n/a	

		COUNC	IL POLICIES			
Committee	Policy	Group	Last reviewed date	Next review date	Status	Related Legislation
Community and Natural Environment	Disability Policy	Customer and Community	Sep-22	Sep-25	Current	n/a
Council	Elected Members Support Policy	Partnerships, Communication and Maaori	Nov-22	Nov-25	Review in progress	Local Government Act 2002
Council	Climate Change Policy	Strategy, Growth and Planning	Jun-22	Jun-27	Review in progress	n/a
Community and Natural Environment	Tree Policy (new)	Customer and Community	n/a	n/a	In development*	n/a
Community and Natural Environment	Provisional Local Alcohol Policy (LAP)	Customer and Community	n/a	n/a	In development	Sale and Supply of Alcohol Act 2012
Community and Natural Environment	Art in Infrastructure Policy (new)	Customer and Community	n/a	n/a	In development*	n/a
Finance and Monitoring	Financial Contributions Policy (new)	CFO	n/a	n/a	In development	Local Government Act 2002
Community and Natural Environment Committee	Events Policy (new)	Partnerships, Communication and Maaori	n/a	n/a	In development*	n/a

^{*}Review nearing completion; the final draft policy is to be recommended to Council for Adoption on 28 August 2025

Bylaws

	BYLAWS									
Committee	Bylaw	Group	Next review date	Status						
Community and Natural Environment	Animal Nuisance Bylaw 2013	Customer and Community	Mar-35	Current						
Infrastructure and Transport	Water Supply Bylaw 2013	Infrastructure and Assets	Nov-34	Current						
Community and Natural Environment	Dog Control Bylaw 2015	Customer and Community	Mar-35	Current						
Community and Natural Environment	Alcohol Control Bylaw 2015	Customer and Community	Dec-25	Review in progress						

BYLAWS							
Committee	Bylaw	Group	Next review date	Status			
Community and Natural Environment	Public Places Bylaw 2016	Customer and Community	Feb-26	Review in progress			
Community and Natural Environment	Parks, Domains and Reserves Bylaw 2019	Customer and Community	Jun-29	Current			
Community and Natural Environment	Prostitution Bylaw 2019	Customer and Community	Jul-29	Current			
Infrastructure and Transport	Waste Management and Minimisation Bylaw 2019	Infrastructure and Assets	Nov-29	Review in progress (minor)			
Community and Natural Environment	Safety in Public Places Bylaw 2020	Customer and Community	Oct-30	Review in progress			
Infrastructure and Transport	Traffic Bylaw 2021	Infrastructure and Assets	Dec-31	Current			
Infrastructure and Transport	Trade Waste and Wastewater Bylaw 2016	Infrastructure and Assets	Jul-33	Current			
Community and Natural Environment	Cemeteries and Crematorium Bylaw 2012	Customer and Community	Apr-34	Current			
Infrastructure and Transport	Stormwater Bylaw 2021	Infrastructure and Assets	Apr 31	Current			
Community and Natural Environment	Alcohol Fees Bylaw 2025	Customer and Community	June -30	Current			

Other Governance Documents

Council	Document	Sponsor/ Group	Last review date	Next review date	Status	Related legal provisions
Council	Committee Terms of Reference and Governance Structure	Partnerships, Communication and Maaori	Nov-22	Nov-25	Current	Local Government Act 2002
Council	Elected Member Code of Conduct	Partnerships, Communication and Maaori	May-22	May-25	Review on hold	Local Government Act 2002

Management Policies

	MANAGEN	IENT POLICIE	s		
Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor
Information Management	Defines the role and functions of Records Management and establishes the principles and responsibilities of Hamilton City Council and its officers to ensure appropriate management of records.	Nov-24	Nov-27	Current	Digital Services
Herbicide Use	To provide high level guidelines around the use of herbicides in the management of unwanted vegetation.	Mar-15	Mar-18	Review deferred	Customer and Community
Smoke Free Workplace	To provide a healthy work environment for workers and visitors to our facilities and open spaces. It is an additional requirement that sets our minimum standard above current legislation to prevent the detrimental effects of smoking on the health of people who do not smoke, or who do not wish to smoke.	Jun-24	Jun-27	Current	People, Safety and Wellness
Gifts and Hospitality	To explain the principles and procedures for Council Staff to follow when considering whether to accept or decline offers of Gifts or Hospitality.	Jun-23	Jun-26	Current	Finance (CFO)
Asset Management	To outline the organisation's approach to asset management to ensure the City's physical infrastructure is managed in a way that delivers the desired level of service in a sustainable, well planned and cost-effective manner.	Jun-23	Jun-26	Current	Infrastructure and Assets
Treasury	To outline approved policies and procedures in respect of all treasury activity to be undertaken by Hamilton City Council ("HCC"). The formalisation of such policies and procedures will enable treasury risks within HCC to be prudently managed.	Feb-24	Feb-27	Current	Finance (CFO)
Museum Collection	To guide the growth, development and management of the Museum's collection.	Apr-24	Apr-27	Current	Destinations
Unreasonable Complainant Conduct	To set out Council's commitment to fair, transparent and appropriate dealings with customers and the principles that guide this commitment and provide a management framework for dealing with unreasonable complainant conduct	Aug-23	Aug-26	Current	Customer Services

	MANAGEMENT POLICIES						
Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor		
Surveillance Camera	To outline the guidelines for Councils collection, storage and use of images collected.	Oct-18	Oct-21	Review in progress	City Safe		
Debtor Management	To provide guidance around invoicing and debtor management practices, and outline expectations of business units to support effective and efficient processes, generating positive collection outcomes.	Sep-24	Sep-27	Current	Finance (CFO)		
Execution of Documents	To provide procedure for execution and signing of documents having legal significance.	Nov-19	Nov-21	Review in progress	Governance and Assurance		
Acceptable Use	To ensure that all computer systems and networks owned or managed by HCC are operated in an effective, safe, ethical and lawful manner and it is the responsibility of every computer user to know these requirements and to comply with them.	Jun-24	Jun-27	Current	Digital Services		
Intellectual Property and Ownership Rights	To ensure Council retains ownership and rights of use of its assets, information, and intellectual property.	July -25	N/A	Revoked	Governance and Assurance		
Fencing	To provide guidance for how Council will apply their obligations under the Fencing Act 1978 in regard to contributions towards fences that share a boundary	Feb-19	Feb-22	Review in progress	City Transportation		
Capitalisation	To provide guidance to council officers around the recognition and treatment of capital costs, revaluation, depreciation, impairment, disposal and accounting for assets.	Jul-24	Jul-27	Current	Finance (CFO)		
Compliance	To provide the principles and set the expectations for how the Council will manage and achieve compliance in all areas of its operations.	Dec-23	Dec-26	Current	Governance and Assurance		
H3 Venue Conditions of Entry	To provide guidelines and support for the implementation of Conditions of Entry at Hamilton City Council event venues managed by H3.	Sep-23	Sep-26	Current	Destinations		
Encroachment	To enable Council to reasonably control encroachments into Road Reserves and Reserves	Mar-22	Mar-25	Review in progress	City Transportation		
Organisational Resilience	To: a. outline Hamilton City Council's (Council) approach	July-25	July-29	Current	Governance and Assurance		

	MANAGEN	MENT POLICIE	S		
Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor
	to organisational resilience to				
	enable the provision of				
	resilient, sustainable, efficient,				
	and effective services.				
	b. ensure Council can continue				
	to deliver critical functions				
	before, during, and after a				
	disruptive event; and				
	c. establish Council's framework				
	for incident, crisis, and				
	business continuity				
	management.				
	To set out Council's commitment				
Family	in protecting the wellbeing of all	Dec-24	Dec-27	Current	People, Safety
Violence Leave	staff who may be subject to or	Dec-24	Dec-27	Current	and Wellness
	perpetrators of Family Violence.				
	To control visitors' exposure to				Facilities
Visitor Control	workplace hazards and to control visitor access for all council	Oct-23	Oct-26	Current	Facilities Support
	buildings.				Зарроге
	To minimise energy consumption				
Energy and	to support meeting Council's	luby 25	lulu 20	Current	Facilities
Carbon Management	greenhouse gas emissions	July-25	July-28	Current	racinies
rianagement	targets.				
	Our remuneration supports our				
	strategy to attract and retain talented people to achieve key				People, Safety
Remuneration	community outcomes that help	Apr-24	Apr-27	Current	and Wellness
	to improve the wellbeing of				and Wounded
	Hamiltonians.				
	To support the achievement of				
	organisational goals and				
Flexible	objectives by supporting staff to	0-+ 00	0-+ 00	Review	People, Safety
Working	balance their work and personal lives. In turn, this is expected to	Oct-20	Oct-23	deferred	and Wellness
	enhance the attraction, retention				
	and productivity of our people.				
	To provide guidance on how HCC				
	manages Leave. This policy				People, Safety
Leave	should be read in conjunction	Oct-23	Oct-26	Current	and Wellness
	with the relevant employment				
	agreement. To provide a framework for the				
Hamilton City	development and management	F.,	F.1. 00		Hamilton
Libraries	of Hamilton City Libraries'	Feb-25	Feb-28	Current	Libraries
Collection	collections.				
	This Policy is to provide Council				
Procurement	staff with clear guidelines				
Policy and	relating to procurement and ensure any Hamilton City	Dec-21	Dec-24	Review in	Procurement
Procedures	Council procurement is made	500-21	500-24	progress	(CFO)
Manual	appropriately and in line with				
	good public sector practice.				
Child	To take all practicable measures	Apr-25	Apr-28	Current	People, Safety
Protection	to protect young people under	1,151, 20	7.15. 20	Carron	and Wellness

	MANAGEMENT POLICIES					
Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor	
	the age of 18 years by providing a safe environment for children attending council-owned and operated facilities. Hamilton City Council will work in partnership with government and social development agencies to ensure the safety and wellbeing of children whilst meeting the requirements of the Vulnerable Children's Act (2014).					
Health and Safety	To contribute to all aspects of Hamilton City Council's organisational health and safety performance as part of a demonstratable commitment to continuous improvement in health and safety.	Apr-25	Apr-28	Current	People, Safety and Wellness	
Recruitment and Selection	To ensure that the recruitment and selection of HCC staff is undertaken in a fair, consistent, transparent and cost-effective way.	Feb-25	Feb-28	Current	People, Safety and Wellness	
Litter Enforcement	To provide guidance to Council officers on issuing infringement notices under the Litter Act 1979.	July -25	N/A	Revoked	Sustainable Resource Recovery Team (Infrastructure)	
Civil Defence and Emergency Management	To ensure that Hamilton City Council (HCC) meets the requirements of the Civil Defence Act 2002 and is able to effectively and efficiently respond to and recover from an emergency event.	Apr-25	Apr-28	Current	Risk and Emergency Management	
Election Protocols for Staff	To help employees understand and balance their role in a politically neutral public organisation, with their right to participate in the local democratic process and local elections.	Feb-25	Feb-28	Current	Governance and Assurance	
Media and Social Media	To ensure Council staff understand our process to take a coordinated and consistent approach to communicating with the public and media.	Jun-22	Jun-25	Review in progress	Communication	
Revaluation	To outline the organisations approach to revaluations to ensure that the value and depreciation held for City assets is accurate.	Jun-22	Jun-25	Review on hold	Finance (CFO)	
Workplace Diversity and Inclusion	To ensure all Council employees work in an environment where diversity and inclusion (D&I) is encouraged, respected and embraced in day-to-day operations; individuals are supported. Recognised as valuable. Treated with respect, positively included and feel safe; and	Aug-22	Aug-25	Review in progress	People, Safety and Wellness	

	MANAGEMENT POLICIES						
Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor		
	Council's commitment to D&I in the workplace helps us to be inclusive in our engagement with the community and delivery of services. Note this includes the Rainbow Policy and, in future, Religion Policy, ethnicity Policy etc.						
LGOIMA Charging	To provide guidance on when and how HCC will charge for LGOIMAs and the considerations in doing so.	Feb-24	Feb-27	Current	Governance and Assurance		
Workplace Travel and Fleet Management	To ensure that Council fleet is operated and managed in a manner that is fit for purpose, cost efficient, safe, lawful, and reduces carbon emissions.	Mar-25	Mar-28	Current	Operate and Maintain (Assets)		
Cash Handling	To ensure that there is consistent cash management practices which minimise risk and hazards and enable cash handling processing to be carried out in a safe and secure manner.	Oct-22	Oct-25	Review in progress	Finance (CFO)		
Membership of Professional Organisations	To specify the circumstances when Council will pay for/reimburse the cost of professional membership fees for Council employees.	Oct-22	Oct-25	Current	Finance (CFO)		
Study Assistance	To support staff who wish to continue to develop their personal and/or professional skills through further study, in support of their career development whilst working at Council. The purpose of this Policy is to outline relevant information in support of staff pursuing further study through approval, which is relevant and beneficial to both the staff member and Council.	Nov-22	Nov-25	Current	People, Safety and Wellness		
Drug and Alcohol	To: show our responsibility and commitment to ensure a safe and healthy workplace for our staff; ensure that our staff can work in an environment free of alcohol and drug use or abuse; outline Council's expectations and requirements for creating and maintaining an alcohol and drug-free work environment and for dealing with substance abuse in the workplace; and provide an opportunity to staff members with a substance use problem to get well.	Nov-22	Nov-25	Current	People, Safety and Wellness		
Bullying, Harassment	To provide a safe and supportive working environment for all its employees and customers. To	Dec-22	Dec-25	Current	People, Safety and Wellness		

MANAGEMENT POLICIES						
Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor	
and Discrimination	promote awareness of the issues and define workplace harassment, bullying, discrimination and conflict.					
Performance Management and Disciplinary	To ensure that HCC has a performance management and disciplinary process that is fair, transparent and applied consistently.	Dec-22	Dec-25	Current	People, Safety and Wellness	
Code of Conduct	To set out the rules and expectations of staff while they are employees at Hamilton City Council.	Dec-22	Dec-25	Current	People, Safety and Wellness	
Customer Feedback	This customer feedback policy sets out how Council will adhere to good governance obligations in relation to complaints, compliments, and customer insights about our services as the territorial authority for the people of Hamilton.	Aug-23	Aug-26	Current	Customer	
Privacy Statement	To outline how Council collects, uses and responds to disclosures your personal information as well as its obligations and public rights as set out in the Privacy Act 2020.	Apr-23	Apr-27	Current	Governance and Assurance	
Lone Worker	To assist Council in understanding its responsibilities in looking after the health, safety, and wellbeing of all staff whilst at work. This Policy explains how Council will ensure the safety of staff who may be required to work alone through minimising the risks that they face and putting in place appropriate measures to improve their safety.	Apr-24	Apr-27	Current	People, Safety and Wellbeing	
Te Reo Maaori (new)	To provide guidance and direction for the use of te reo Maaori by Hamilton City Council (the Council) staff.	n/a	n/a	In development	Amorangi Maaori	
Disinformation Management	To reduce the impacts of misinformation (scope includes dis-information and malinformation) in relation to the activities of Hamilton City Council (the Council) on our community by defining and supporting an organisational approach to managing this in relation to the activities of Council.	Dec-23	Dec-26	Current	Communication and Engagement	
Te Tiriti o Waitangi (new)	To affirm Hamilton City Council's (Council's) commitment to honouring Te Tiriti o Waitangi (Te Tiriti), and the approach for	n/a	n/a	In development		

	MANAGEMENT POLICIES							
Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor			
	integrating Te Tiriti into Council's operations, decision-making processes, and community engagement.				Amorangi Maaori			
Erosion (Open watercourse) (new)	Still to be advised.	n/a	n/a	Under consideration	Waters			

Management Policies with Committee Oversight

Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Group
Conflicts of Interest	To ensure staff are aware of and declare actual and potential conflicts of interest between their employment and their activities outside of work.	Nov-22	Nov-25	Current	People, Safety and Wellbeing
Sensitive Expenditure	To provide Council staff with clear guidelines relating to Sensitive Expenditure and ensure any HCC expenditure is made appropriately and in line with good public sector practice.	Mar-24	Mar-27	Current	Finance (CFO)
Protected Disclosure	If an employee discovers information which they believe shows serious wrongdoing within the organisation, there should be established procedures which enable the employee to disclose such information without fear of reprisal	Aug-22	Aug-25	Review in progress	Governance & Assurance
Fraud and Corruption	To prevent fraud and/or corruption and ensure the overall integrity and performance of Council. This policy provides a consistent and transparent approach to all allegations of fraud and/or corruption.	Jun-23	Jun-26	Current	CFO

Delegations Management Policies

Delegations Manage	ment roncies							
DELEGATIONS MANAGEMENT POLICIES								
Delegations Management Policy Title	Purpose	Last reviewed and approved	Next Review Date	Status	Sponsor			
Delegations to Officers under the Public Works Act 1981	To set out the delegations from the Chief Executive to Council Officers under the Public Works Act 1981.	Oct-23	Oct-26	Current	Strategy, Growth and Planning			
Financial Delegations to Officers	To ensure consistency in carrying out activities and to ensure that the authority to commit (or bind) Council to arrangements with third parties (suppliers, vendors, contractors,	Dec-23	Dec-26	Current	Finance			

	tenants, event promoters, sales agencies, CCO's, government departments and statutory organisations, etc.) is properly delegated and correctly monitored.				
Delegations to Officers under the Trespass Act 1980	To set out the delegations from the Chief Executive to Council Officers under the Trespass Act 1980.	Dec-20	Dec-23	Review in progress	Customer and Community
Delegations to Growth Officers and City Safe Unit Officers (excluding delegations under the RMA)	To set out the delegations from the Chief Executive to Council officers in Growth and the City Safe Unit.	Jul-21	Jul-24	Review in progress	Strategy, Growth and Planning
Delegations to City Infrastructure Officers	To set out the delegations from the Chief Executive to Council Officers in City Infrastructure.	Aug-25	Aug -28	Current	Infrastructure and Assets

Council Report

Committee: Strategic Risk and Assurance **Date:** 11 September 2025

Committee

Author: Nicholas Whittaker **Authoriser:** Janet Carson

Position: Senior Risk and Resilience **Position:** General Manager

Advisor Partnerships,

Communication & Maaori

Report Name: Annual SRAC Self Review

Report Status	Open
---------------	------

Purpose - Take

 To present to the Strategic Risk and Assurance Committee the results of the 2025 annual selfreview of Committee.

Staff Recommendation - Tuutohu-aa-kaimahi

- 2. That the Strategic Risk and Assurance Committee:
 - a) receives the report; and
 - b) thanks the Chair Bruce Robertson and Deputy Chair Carol Bellette for their work this year.

Executive Summary - Whakaraapopototanga matua

- 2. This year as part of the annual self-review for the Strategic Risk and Assurance Committee, Committee members have been asked to reflect on the effectiveness of the Committee and its role in supporting Council.
- 3. The questions are based on a private governance board self-assessment but tailored to suit this Committee. Responses are anonymous, the feedback obtained is included below. While six responses were received, out of an invited ten, the data is invaluable to understand the perceived strengths and necessary work-ons for this Committee. The information gained will be used to inform both the induction programme and ongoing Committee management.
- 4. Tables are provided in **Attachment 1** detailing the results of both the 2025 and 2024 Annual Self-Review.
- 5. Staff consider the matters in this report have a low significance and that the recommendations comply with the Council's legal requirements.

Background - Koorero whaimaarama

6. This is an annual review the Committee takes part in and has been a regular report over the last triennium.

7. Committee members have been asked to respond to the questions out of 10. The purpose is to encourage the Committee to reflect on its performance and provide an opportunity to look at changes or improvements in preparation for the new triennium (2025-28).

Discussion – Matapaki

Comparison to 2024

- 8. Overall, the responses show a negative trend compared to the 2024 self-review. 10/11 questions show a lower average response year-on-year. Question 7 (frequency and duration of meetings) was the only question to remain the same, with an average response of 8.5. While there could be a range of causative factors, it is worth monitoring this trend going forward to ensure we see a more positive result in 2026.
- 9. 6/10 members responded to the 2025 survey which is 2 more than in 2024. It is positive to see more elected members engaging with the annual self-review. Since the survey answers are anonymous it is not possible to assess whether the respondents were consistent between years.

Findings

- 10. The lowest rated question (Q2) centres around members understanding their role on this Committee. Heading into the next triennium this is an important result to focus on as part of the induction programme. Given there will be at least two new members to the Strategic Risk and Assurance Committee, ensuring that members have a clear understanding of the Committee structure, powers, and their role will be crucial heading into the beginning of the next elected member cycle. Recommendation that the first workshop of the 2025-28 cycle focuses on educating elected members in this space. This recommendation is consistent with some of the additional commentary provided within the survey.
- 11. The highest rated question (Q7) is that the frequency and duration of the Committee is appropriate. Recommend that the quarterly cycle remains. One additional comment was made within the survey, suggested that the reporting to full Council could be strengthened.
- 12. Questions 2 and 4 had the greatest range of answers. While Q2 was discussed above, Q4 relates to how informed and confident Elected Members feel understanding strategic risk. It's clear that participants had diverse answers, with one member rating this very highly (9) and another far lower (5). It is worth noting that the respondent who scored it 5 added additional feedback that while the Committee workshops are "excellent", they can be poorly attended leading to some members not seeming well informed. It is recommended that as part of the induction programme, the first workshop should ensure that each of the strategic and organisational risks are discussed in detail, with time for councillors to ask questions.
- 13. There was an additional question surveyed this year 'what can this Committee do better, heading into the next triennium' the results are summarised below:
 - i. Elected Members need to build a stronger understanding of their obligations and the vital role of this Committee;
 - ii. A request that members are able to raise questions and topics for thorough examination;
 - iii. Several comments regarding the membership of the committee ranging from compulsory for all elected members, adding the chair of the Strategic Growth and District Planning Committee, and leaving the membership as is; and
 - iv. Suggestion to enhance the workshop programme including but not limited to risk discussions with risk owners.

Financial Considerations - Whaiwhakaaro Puutea

14. This is a regular operating activity funded through the Long-Term Plan.

Legal Considerations - Whaiwhakaaro-aa-ture

15. Staff confirm that the recommendation complies with the Council's legal requirements.

Risks – Tuuraru

- 16. This report while not directly related to the strategic and organisational risks, does relate to the executive management of these risks.
- 17. There are no known risks associated with the decisions sought in this report.

Strategic Considerations - Whaiwhakaaro-aa-rautaki

- 18. Everything we do is aimed at improving the wellbeing of Hamiltonians. Council has been working alongside our community to understand what people in our city want the future of Hamilton Kirikiriroa to look like as represented by our five priorities.
- 19. The promotion of the social, economic, environmental, and cultural wellbeing of communities in the present and for the future is expressed through Council's key strategies.
- 20. The proposed recommendation will align with Council key documents, as identified in the Governance Structure, in the following ways:

Significance and Engagement Policy	Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance. Given the low level of significance determined, the engagement level is low. No engagement is required.	
He Pou Manawa Ora - Pillars of Wellbeing	This report has not considered He Pou Manawa Ora directly	
Our Climate Future Te Pae Tawhiti o Kirikiriroa	Staff have assessed this option against the Climate Change Policy for both emissions and climate change adaptation. Staff have determined no adaptation or emissions assessment is required.	
Disability Action Plan	This report has not considered the Disability Action Plan directly	

Attachments - Ngaa taapirihanga

Attachment 1 - Annual SRAC Self-Review - Responses -2025 and 2024

Annual SRAC Self-Review 2025 Self-assessment responses

Question		Individual Scores				Average Score /10		
1.	The Committee meets the duties/ expectations set out in the terms of reference	8	10	8	7	8	8	8.2
2.	Members have an understanding of their role on the Committee?	7	5	7	9	8	7	7.2
3.	The balance and mix of skills of the Committee is appropriate	9	7	8	8	7	6	7.5
4.	The Committee is sufficiently informed of, and confident understanding strategic risk	9	5	8	8	8	7	7.5
5.	The Committee understand the organisation's significant financial risks	8	5	8	8	8	7	7.3
6.	The Committee ensures adequate oversight of internal and external audit activities	9	8	9	8	9	6	8.2
7.	The frequency and duration of Committee meetings is appropriate	8	8	8	10	8	9	8.5
8.	Committee agendas cover the right issues in a timely way	9	8	6	9	9	8	8.2
9.	Committee papers are clear and provide meaningful insight	9	8	7	9	9	7	8.2
10.	The time available is mostly allocated to the most important issues and there is sufficient time allocated for a full discussion	9	8	7	9	9	8	8.3
11.	. The workshops are informative and provide enough time to openly discuss risk topics	7	10	7	8	7	7	7.7
Totals	(/ 110)	92	82	83	93	90	80	86.7 520/660

Annual SRAC Self-Review 2024

Self-assessment responses

Quest	ion	Individ	lual Score	es		Average Score /10
1.	The Committee meets the duties/ expectations set out in the terms of reference	8	7	9	9	8.3
2.	Members have an understanding of their role on the Committee?	7	6	9	9	7.8
3.	The balance and mix of skills of the Committee is appropriate	9	7	9	9	8.5
4.	The Committee is sufficiently informed of, and confident understanding strategic risk	7	8	9	9	8.3
5.	The Committee understand the organisation's significant financial risks	7	7	9	9	8.0
6.	The Committee ensures adequate oversight of internal and external audit activities	9	8	9	9	8.8
7.	The frequency and duration of Committee meetings is appropriate	8	8	9	9	8.5
8.	Committee agendas cover the right issues in a timely way	9	8	9	9	8.8
9.	Committee papers are clear and provide meaningful insight	9	7	9	9	8.5
10.	The time available is mostly allocated to the most important issues and there is sufficient time allocated for a full discussion	8	8	9	9	8.5
11.	The workshops are informative and provide enough time to openly discuss risk topics	7	8	10	10	8.8
Totals	(/110)	88	82	100	100	92.5 370/440

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

	eral subject of each matter to onsidered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1.	Confirmation of the Strategic Risk and Assurance Public Excluded Minutes 17 June 2025) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and 	Section 48(1)(a)
C2.	Organisational Improvement Register - Public Excluded) Meetings Act 1987	
C3.	SR3 Loss of information or access to systems and services		
C4.	Legal Risks Report		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to protect information which is subject to an obligation of confidence where disclosure would likely damage the public interest to enable Council to carry out commercial activities without disadvantage to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (c) (ii) Section 7 (2) (h) Section 7 (2) (j)
Item C4.	to maintain legal professional privilege	Section 7 (2) (g)