
Strategic Risk and Assurance Committee

OPEN MINUTES

Minutes of a meeting of the Strategic Risk and Assurance Committee held in Committee Room 1, Municipal Building, Garden Place, Hamilton on Thursday 5 March 2020 at 12.34pm.

PRESENT

Chairperson: Keiran Horne
Deputy Chairperson: Bruce Robertson
Membership: Mayor Paula Southgate
Cr Rob Pascoe
Cr Dave Macpherson
Maangai Bella Takiari-Brame

In Attendance: Cr Maxine van Oosten
Richard Briggs – Chief Executive
David Bryant – General Manager Corporate
Lance Vervoort – General Manager Community
Jen Baird – General Manager City Growth
Sean Murray – General Manager Venues Tourism and Major Events
Eeva-Liisa Wright – General Manager Infrastructure Operations
Chris Allen – General Manager Development
Sean Hickey – General Manager Strategy and Communications
Blair Bowcott – Executive Director Special Projects
Dan Finn – People Safety and Wellness Manager
Tracey Musty – Financial Controller
Maire Porter – City Waters Manager
Morva Kaye – Internal Auditor
Nicholas Whittaker – Risk and Insurance Advisor
Mothla Majeed – Legal Services Manager
Kelvin Powell – City Safe Unit Manager
Mark Wagstaff – Health and Safety Assurance Lead
Rebecca Whitehead – Business and Planning Manager
Nicola Walsh – Communications Advisor
Heather Burden – Risk Manager
Matt White – Pricewaterhouse Cooper Representative
Aaron Steele – Pricewaterhouse Cooper Representative
Clarence Susan – Audit NZ Representative
Naude Kautze – Audit NZ Representative

Governance Staff: Rebecca Watson – Governance Advisor

1. Apologies

Resolved: (Ms Horne/Mr Robertson)

That the apologies for absence from Crs O'Leary and Bunting, and for lateness from Mayor Southgate are accepted.

Mayor Southgate joined the meeting (12.35pm) during the above item. She was present when the matter was voted on.

2. Confirmation of Agenda

Resolved: (Ms Horne/Mr Robertson)

That the agenda is confirmed, noting that the late item C5 (*Change of Council's Credit Rating Agency*) is accepted. This item was circulated to Members prior to the meeting as a late item due to the information being received after the agenda was circulated.

3. Declarations of Interest

No members of the Committee declared a Conflict of Interest.

4. Public Forum

No members of the public wished to speak.

5. Chief Executive Report - Verbal Update

The Chief Executive provided a verbal update to Committee Members concerning the strategic risks faced by Council, in particular Covid-19 virus, growth projections and the strategic risks and opportunities associated with the four wellbeings. Staff responded to questions from Committee Members concerning topics planned for the June Risk Management workshop and preparedness for a large scale closure of facilities.

Resolved: (Ms Horne/Maangai Takiari-Brame)

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

6. Strategic Risk and Assurance Committee Draft Schedule of Reports 2020

The report was taken as read.

Resolved: (Ms Horne/Cr Macpherson)

That the Strategic Risk and Assurance Committee:

- a) receives the draft 2020 Schedule of Reports; and
- b) notes that the Schedule of Reports is intended to be a living document that will be updated as necessary and will be made available to Elected Members and Maangai Maori on Diligent.

7. **Safety and Wellbeing Report - 1 November 2019 to 31 January 2020**

The People Safety and Wellness Manager, and the Health and Safety Assurance Lead spoke to the report, noting the work being undertaken continuously to lift capability and improve systems. It was noted that there had been a number of strike incidents, where contractors had damaged underground services such as sewage or telephone cables, and work continued with contractors to ensure systems are in place to minimise this. Staff responded to questions from Committee Members concerning technology available to minimise strike incidents, trends concerning injuries and injury prevention training provided to staff, reporting and risks to Council from notifiable events, and definitions of terms used with in the reports.

Staff Action: *Staff undertook to include information concerning the numbers of attendees at psycho-social training on a rolling 12 month basis, as well as information concerning available training in the organisation and the numbers of staff attending.*

Resolved: (Ms Horne/Mayor Southgate)

That the Strategic Audit and Risk Committee receives the report.

8. **Risk Management Report**

The report was taken as read. Staff responded to questions from Committee Members concerning assessment of political risk, calculation process concerning risk levels, rational concerning emerging risks, external policy challenges concerning 3 Waters, and resilience to financial shock.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee receives the report.

9. **2019/20 Internal Audit Update PwC**

The Financial Controller and representatives from Pricewaterhouse Cooper provided an overview of the current audit work programme and the timeframes for completion. Staff responded to questions from Committee Members concerning forecasting and modelling.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee:

- a) receives the report; and
- b) notes the Hamilton City Council Internal Audit work undertaken.

10. 2019/20 Internal Audit Update to 31 January 2020

The Internal Auditor provided an overview of the work being completed as part of the internal audit work plan.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee:

- a) receives the report; and
- b) notes the progress against the Hamilton City Council Internal Audit Plan for internal Council staff.

Mayor Southgate left the meeting (1.49pm) during the above item. She was not present when the matter was voted on.

11. Annual Report 2020 Planning Update

The Financial Controller and representatives from Audit NZ provided an overview of the areas of audit focus which included consents, fair value assessments and project Kookiri. Staff responded to questions from Committee Members concerning the audit and year end process concerning project Kookiri, confidence that the audit timetable would be met, indications of ministerial directives and the capital programme works.

Resolved: (Ms Horne/Maangai Takiari-Brame)

That the Strategic Risk and Assurance Committee receives the report.

Mayor Southgate re-joined the meeting (1.52pm) during the above item. She was present when the matter was voted on.

12. Audit Engagement Letter for 2020, 2021 and 2022 (Recommendation to Council)

The Financial Controller and representatives from Audit New Zealand gave an overview of the audit engagement letter process. It was noted that a discussion on the new audit fee structure would be brought to the next Strategic Risk and Assurance Committee meeting.

Resolved: (Ms Horne/Cr Pascoe)

That the Strategic Risk and Assurance Committee:

- a) recommends to the Council that the Audit Engagement letter is approved; and
- b) the Mayor is authorised to sign the Audit Engagement letter on Council's behalf.

13. Organisational Improvement Register as at 31 January 2020

The Financial Controller provided an update concerning work that was expected to be completed with Inland Revenue.

Resolved: (Ms Horne/Mr Robertson)

That the Strategic Risk and Assurance Committee receives the report.

14. Confirmation of the Open Strategic Risk and Assurance Committee Minutes - 11 December 2019

Resolved: (Ms Horne/Cr Pascoe)

That the Committee confirm the open Minutes of the Strategic Risk and Assurance Committee meeting held on 11 December 2019 as a true and correct record.

15. Resolution to Exclude the Public

Resolved: (Ms Horne/Mayor Southgate)

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.

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. Cyber Risks/Issues - Verbal Report) Good reason to withhold information exists under	Section 48(1)(a)
C2. Fraud and Protected Disclosures Update) Section 7 Local Government Official Information and Meetings Act 1987	
C3. Verbal Update on any Legal Issues and/or Risks)	
C4. Confirmation of the draft Strategic Risk and Assurance Public Excluded Minutes - 11 December 2019		
C5. Change of Council's Credit Rating Agency		

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)

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| Item C2. | to protect information which is subject to an obligation of confidence and disclosure would likely prejudice continual supply of similar information where it is in the public interest for that information to continue to be available | Section 7 (2) (c) (i)
Section 7 (2) (c) (ii) |
| | to protect information which is subject to an obligation of confidence where disclosure would likely damage the public interest | |
| Item C3. | to maintain legal professional privilege | Section 7 (2) (g) |
| Item C4. | to prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |
| Item C5. | to enable Council to carry out commercial activities without disadvantage | Section 7 (2) (h) |

The meeting moved to a public excluded session at 2.31pm.

The meeting was declared closed at 3.21pm.