

PALMERSTON NORTH CITY COUNCIL

Minutes of the Risk & Assurance Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 06 March 2024, commencing at 1.08pm

Members Present: Mr Stephen Armstrong (in the Chair), The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood and Kaydee Zabelin.

Non Members: Councillors Roly Fitzgerald and Patrick Handcock.

Apologies: The Mayor (Grant Smith) (early departure); Councillor Vaughan Dennison; Councillors Leonie Hapeta and William Wood (early departure).

The meeting adjourned at 1.09pm.
The meeting resumed at 2.38pm.

The Mayor (Grant Smith) was not present when the meeting resumed at 3.50pm. He was not present for clauses 5 to 13 inclusive.

Councillor William Wood was not present when the meeting resumed at 3.50pm. He was not present for clauses 5 to 13 inclusive.

Councillor Leonie Hapeta left the meeting at 4.16pm after consideration of clause 5. She was not present for clauses 6 to 13 inclusive.

Karakia Timatanga

Councillor Kaydee Zabelin opened the meeting with karakia.

1-24 Apologies

Moved Stephen Armstrong, seconded Karen Naylor.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 1-24 above was carried 12 votes to 0, the voting being as follows:

For:

Stephen Armstrong, the Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

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2-24 Confirmation of Minutes

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the minutes of the Risk & Assurance Committee meeting of 18 October 2023 Part I Public be confirmed as a true and correct record.

Clause 2-24 above was carried 12 votes to 0, the voting being as follows:

For:

Stephen Armstrong, the Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

3-24 Audit NZ 2023 Management Report with Action Plan

Memorandum, presented by Masooma Akhter, Business Assurance Manager, Scott Mancer, Finance Manager and Debbie Perera, Audit Director, Audit New Zealand.

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Risk & Assurance Committee receive the memorandum titled 'Audit NZ 2023 Management Report with Action Plan' presented on 06 March 2024.

Clause 3-24 above was carried 12 votes to 0, the voting being as follows:

For:

Stephen Armstrong, the Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

4-24 Setting Council's Risk Management Appetite and Tolerance Levels

Memorandum, presented by Stephen Minton, Risk Management Advisor and Jason McDowell, Head of Risk and Resilience.

Elected Members requested a review of risk appetite and tolerance levels to be undertaken annually, to enable greater monitoring of levels of risk in critical areas.

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council agree the recommended risk appetite and risk tolerance levels as noted in section 3.1 and 3.2 of the memorandum titled 'Setting Council's Risk Management Appetite and Tolerance Levels,' presented to the Risk and Assurance Committee on 6 March

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2024.

Clause 4-24 above was carried 8 votes to 4, the voting being as follows:

For:

Stephen Armstrong, the Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Leonie Hapeta, Orphée Mickalad, William Wood and Patrick Handcock.

Against:

Councillors Brent Barrett, Lorna Johnson, Kaydee Zabelin and Roly Fitzgerald.

Moved Brent Barrett, seconded Roly Fitzgerald.

2. That the Committee review risk appetite and tolerance levels annually.

Clause 4-24 above was carried 12 votes to 0, the voting being as follows:

For:

Stephen Armstrong, the Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

The meeting adjourned at 3.38pm.

The meeting resumed at 3.50pm.

The Mayor (Grant Smith) and Councillor William Wood were not present when the meeting resumed.

5-24

Setting Council's Strategic Risks

Memorandum, presented by Stephen Minton, Risk Management Advisor and Jason McDowell, Head of Risk & Resilience.

Elected Members requested that 'Loss of Public Trust in Council' be added as a Strategic Risk to address this risk to the organisation.

Moved Brent Barrett, seconded Roly Fitzgerald.

The **COMMITTEE RECOMMENDS**

1. That Council adds 'Loss of Public Trust in Council' to the Strategic Risk Statement.

Clause 5-24 above was carried 9 votes to 1, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Brent Barrett, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

Against:

Councillor Mark Arnott.

Moved Stephen Armstrong, seconded Karen Naylor.

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2. That Council agree the strategic risk statements (Attachment 1), including recommendation 1, in the memorandum titled 'Setting Council's Strategic Risks' presented to the Risk & Assurance Committee on 6 March 2024.

Clause 5-24 above was carried 10 votes to 0, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

Councillor Leonie Hapeta left the meeting at 4.16pm.

6-24 Wellbeing Report, October to December 2023 (Quarter 2)

Memorandum, presented by Connie Roos, Employee Experience Manager and Wayne Wilson, People Operations Manager.

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Wellbeing Report, October to December 2023 (Quarter 2)' presented to the Risk & Assurance Committee on 6 March 2024.

Clause 6-24 above was carried 9 votes to 0, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

7-24 Health and Safety Report, October to December 2023 (Quarter 2)

Memorandum, presented by Selwyn Ponga-Davis, Health and Safety Manager.

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Health and Safety Report, October to December 2023 (Quarter 2)' presented to the Risk & Assurance Committee on 6 March 2024.
2. That the Chief Executive release the memorandum and attachments 1 and 3 as soon as is practicable.

Clause 7-24 above was carried 9 votes to 0, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

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EXCLUSION OF PUBLIC

8-24 Recommendation to Exclude Public

Moved Stephen Armstrong, seconded Karen Naylor.

The COMMITTEE RESOLVED

"That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

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 are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
18.	Minutes of the Risk & Assurance Committee meeting - Part II Confidential - 18 October 2023	For the reasons set out in the Risk & Assurance Committee minutes of 18 October 2023, held in public present.	
19.	Contact Centre Progress Review - Quality Assurance Report	COMMERCIAL ACTIVITIES: This information needs to be kept confidential to allow Council to engage in commercial activities without prejudice or disadvantage	s7(2)(h)
20.	Employee Life Cycle - Business Assurance Review	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's commercial position and NEGOTIATIONS: This information needs to be kept confidential to ensure that Council can negotiate effectively, especially in business dealings	s7(2)(b)(ii) and s7(2)(i)

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 the relevant part of the proceedings of the meeting in public as stated in

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the above table.

Clause 8-24 above was carried 9 votes to 0, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

The public part of the meeting adjourned at 4.40pm.

The public part of the meeting resumed at 4.50pm.

11-24 **Business Assurance Work Programme - Update**

Memorandum, presented by Masooma Akhter, Business Assurance Manager.

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Risk & Assurance Committee approve the updated Business Assurance Work Programme for the 2024/2025 period (Attachment 1) presented on 06 March 2024.
2. That the timeframes and amendments from the updated Business Assurance Work Programme be updated on the work schedule for Risk & Assurance Committee.

Clause 11-24 above was carried 9 votes to 0, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

12-24 **Business Assurance Accountability Report**

Memorandum, presented by Masooma Akhter, Business Assurance Manager.

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Risk & Assurance Committee receive the memorandum titled 'Business Assurance Accountability Report' and its attachment, presented on 06 March 2024.

Clause 12-24 above was carried 9 votes to 0, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

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13-24 Committee Work Schedule

Moved Stephen Armstrong, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Risk & Assurance Committee receive its Work Schedule dated March 2024.

Clause 13-24 above was carried 9 votes to 0, the voting being as follows:

For:

Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Roly Fitzgerald and Patrick Handcock.

Deferral of items to the next Council meeting

The Chair advised the following items on the Agenda would be deferred to the Council meeting to be held on 3 April 2024:

- External Funding & Commercial Revenue – Business Assurance Review
- Contact Centre Progress Review – Quality Assurance Report (confidential)
- Employee Life Cycle – Business Assurance Review (confidential)

Karakia Whakamutunga

Councillor Kaydee Zabelin closed the meeting with karakia.

The meeting finished at 5.09pm

Confirmed 22 May 2024

Chair