

Rārangi Take Whanokē mo te
Kōmiti Tūraru me te Taurangi

Extraordinary Risk and Assurance Committee Agenda

Monday 22 July 2024, 3.00 pm
Council Chamber, Albion Street, Hāwera



Ngā Mema o te Komiti / Committee Members



Philip Jones
*Chairperson /
External Member*



Phil Nixon
Mayor



Andy Beccard
Councillor



Celine Filbee
Councillor



Te Aroha Hohaia
Councillor



Racquel Cleaver-Pittams
Councillor



Marie Broughton
Iwi Representatives

Apatono / Delegations

The primary purpose of the Risk and Assurance Committee is to:

- Review the quarterly financial and non-financial reports of the Council;
- Oversee the relationship between the Council and its external auditor;
- Consider the Audit Management Report undertaken for the Annual Report and Long Term Plan and monitor progress against that;
- Receive and consider reports on the Council's internal and external borrowing;
- Provide oversight and monitoring of the Council's risk management framework;
- Provide oversight and monitoring of Council's Long Term Investment Fund; and
- Oversee the relationship with the Council's Investment Advisors and Fund Managers.

The Risk and Assurance Committee is made up of the Mayor, an external member, four councillors and an Iwi representative.

Attendance Register

Date	30/11/22	15/02/23	29/03/23	17/05/23	21/06/23	16/08/23	20/09/23	20/11/23	14/02/24	15/05/24
Meeting	O	O	O	O	O	O	O	O	O	O
Andy Beccard	√	√	√	√	√	A	√	√	√	√
Celine Filbee	√	√	√	√	√	√	√	A	√	√
Te Aroha Hohaia	√	A	√	√	√	√	√	√	√	√
Philip Jones	AO	AO	√	√	√	√	√	√	√	AO
Phil Nixon	√	√	√	√	√	√	√	√	√	√
Racquel Cleaver-Pittams	-	-	-	√	√	√	√	√	√	√
Marie Broughton	-	-	-	√	√	√	√	√	√	√

Key

- √ Attended
- AO Attended Online
- Was not required to attend
- A Apology
- Y Attended but didn't have to attend
- X Did not attend - no apology given

Types of Meetings

- O Ordinary Council Meeting
- E Extraordinary Council Meeting

He Karere Haumaruru / Health and Safety Message

In the event of an emergency, please follow the instructions of Council staff.
 If there is an earthquake – drop, cover and hold where possible. Please remain where you are until further instruction is given.

He Pānga Whakararu / Conflicts of Interest

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 member and any private or other external interest they might have.

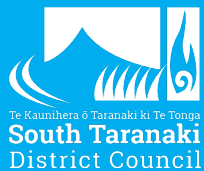


Rārangi Agenda

Extraordinary Risk and Assurance Committee

Monday 22 July 2024 at 3.00 pm

1. **Karakia**
2. **Matakore / Apologies**
3. **Tauākī Whakarika / Declarations of Interest**
4. **Pūrongo / Report**
 - 4.1 [Risk and Assurance Committee External Member](#) Page 8
5. **Karakia**



Karakia

1. Karakia

Ruruku Timata – Opening Prayer

(Kia ururu mai ā-hauora,
ā-haukaha, ā-hau māia)

Ki runga

Ki raro

Ki roto

Ki waho

Rire rire hau

Paimārire

*(Fill me with vitality)
strength and bravery)*

Above

Below

Inwards

Outwards

The winds blow & bind us

Peace be with us.



Matakore Apologies

2. Matakore / Apologies

Leave of Absence: *The Board may grant a member leave of absence following an application from that member. Leave of absences will be held in the Public Excluded section of the meeting.*



Ngā Whakaputanga

Declarations of Interest

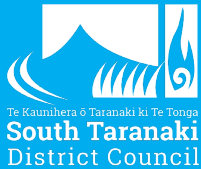
3

3. Tauākī Whakarika / Declarations of Interest

Notification from elected members of:

- a) Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and
- b) Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968.

Declarations of Interest: Notification from elected members of: Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968



Pūrongo Report

To	Extraordinary Risk and Assurance Committee
From	Kaiārahi Whaitikanga me ngā Kaitautoko / Governance and Support Team Leader, Sara Dymond
Date	22 July 2024
Subject	Risk and Assurance Committee External Member

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The purpose of the Risk and Assurance Committee (the Committee) is to assist and advise the Council in its responsibilities of governance, risk management and internal control. An external member was appointed in 2021 and the terms of reference adopted in May 2023 stated that the appointment be reviewed 18 months after the Local Body Elections, which was in April 2024.
2. This report asks the Committee to undertake a formal review of the external member and recommend an outcome to the Council.

Taunakitanga / Recommendation(s)

THAT the Risk and Assurance Committee:

- a) Undertake a formal review and recommend the outcome to the Council for approval.
- b) Notes the assessment questions for the formal review are attached as [Appendix 1](#) for consideration and approval.

Kupu Whakamārama / Background

3. The initial contract for the external member was for the period of 25 January 2021 until 30 September 2023. The contract stated that the external member would be eligible for extension or re-appointment, after a formal review and on the proviso, that the person has not already served two terms on the Committee.
4. The local body elections were held in 2022 and the new Committee requested the terms of reference be reviewed for the 2022-2025 triennium. In March 2023 the Committee recommended the Council approves the terms of reference which was then ratified at the Ordinary Council meeting in May 2023.
5. The tenure in the Committee's terms of reference states the following:

External members will be appointed for an initial period not exceeding five years, after which they will be eligible for extension or re-appointment, after a formal review of their performance, if they have not already served two terms on the Committee.

The External member's representation on the Committee is to be reviewed 18 months after the Local Body Elections in October to ensure consistency during the three year term of Council.

6. The 18 month period after the Local Body Election was in April 2024. The current external member has been on the Committee for three years and five months since the initial contract was signed. The remaining period left to serve is two years and six months.
7. The appointment of an external member of the Committee is prescribed under the Local Government Act 2002 Schedule 7 Section 31(3):- "The members of a committee or subcommittee may, but need not be, elected members of the local authority, and a local authority or committee may appoint to a committee or subcommittee a person who is not a member of the local authority or committee if, in the opinion of the local authority, that person has the skills, attributes, or knowledge that will assist the work of the committee or subcommittee."

Local Government Purpose

8. The purpose of local government is to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. The appointment of external members onto Council committees meets the purpose of local government.

Ngā Kōwhiringa / Options – Identification and analysis

Risks

9. The Risk and Assurance Committee terms of reference outline that members on the Committee, taken collectively, will have a broad range of skills and experience relevant to the operations of the Council. At least one member of the Committee should have accounting or related financial management experience, with an understanding of accounting and auditing standards, and one member should have risk management experience. The risk of not appointing an external member is that the broad range of skills and experience of the Committee may be lessened.

Option(s) available

10. Option One: Agrees to proceed with a formal review of the external member's performance and based on this consider an extension. This would align with the terms of reference.
11. Option Two: Do not undertake a review of the external member and appoint a new external member to the Committee.

Whaiwhakaaro me ngā aromatawai / Considerations and Assessments

Assessment of Significance and Engagement

12. South Taranaki District Council's general approach to determining the level of "significance" will be to consider:

Criteria	Measure	Assessment
Degree	The number of residents and ratepayers affected and the degree to which they are affected by the decision or proposal.	The appointment will enable democratic local decision making and will have no greater impact on the residents and ratepayers than the current arrangements
LOS	The achievement of, or ability to achieve, the Council's stated levels of service as set out in the Long Term Plan.	There is no impact on levels of service.
Decision	Whether this type of decision, proposal or issue has a history of generating wide public interest within South Taranaki.	The issue is unlikely to generate wide public interest.
Financial	The impact of the decision or proposal on the Council's overall budget or included in an approved Long Term Plan and its ability to carry out its existing or proposed functions and activities now and in the future.	There is no impact on the LTP budget.
Reversible	The degree to which the decision or proposal is reversible.	The Mayor has the power to set appointments to committees throughout the 2022-2025 triennium.
Environment	The degree of impact the decision will have on the environment.	There will be no impact on the environment as a result of this decision.

13. In terms of the Council's Significance and Engagement Policy this matter is of low significance.
14. The level to which the Council will engage will align with the significance of the decision and will inform the public through the meeting minutes.

Legislative Considerations

15. The Mayor has the ability to establish committees under the Local Government Act 2002 (LGA) Section 41A (3) (b) Appoint Committees. The Council must establish, maintain and provide opportunities for Māori to contribute to decision-making processes under Section 81 of the LGA.

Financial/Budget Considerations

16. The Risk and Assurance Independent Chairperson is paid \$2,139 including GST per meeting excluding any travel time. For time and cost efficiency and effectiveness, where possible, meetings will be organised to coincide with other regional commitments and where this occurs, costs incurred for travel and accommodation will be divided equally across the organisations involved.

Environmental Sustainability

17. There will be no significant impact on the environment as a result of this decision.

Consistency with Plans/Policies/Community Outcomes

18. Nothing in this report is inconsistent with any Council policy, plan or strategy. The appointment of an external member aligns with the Committee's terms of reference which was adopted by the Council.
19. This matter contributes to the following community outcomes:
- Mana Mauri – *Cultural well-being*
 - Mana Tangata – *Social well-being*
 - Mana Oranga – *Economic well-being*
 - Mana Taiao – *Environmental well-being*

Consideration for Iwi/Māori

20. The external member ensures there is an independent member overseeing the Committee and monitoring the Council's risks on behalf of the whole community.

Whakakapia / Conclusion

13. This report asks the Committee to undertake a formal review of the external member and recommend an outcome to the Council. It also asked the Committee to consider the assessment questions for the formal review which are attached as [Appendix 1](#) for consideration and approval.

Sara Dymond

**Kaiārahi Whaitikanga me ngā
Kaitautoko / Governance and Support
Team Leader**

[Seen by]

Becky Wolland

**Pouhautū Rautaki me te Whaitikanga /
Head of Strategy and Governance**

Appendix 1: Assessment questions

1. Effectively chairs Committee meetings fostering open communication, collaboration and constructive debate.
2. Ensures that the Committee operates within their delegates authority and is consistent with its agreed terms of reference.
3. Ensures that the Committee's business is conducted in accordance with Council's standing orders.
4. Contributes skills and knowledge to the Council's business, operations and risks.
5. Develops positive working relationships with Committee members and Council staff.

5. Karakia

Ruruku Whakakapi – Closing Prayer

Unuhia, unuhia

Unuhia ki te uru tapu nui

Kia wātea, kia māmā te ngākau, te
tinana, te wairua i te ara takatū

Kia wātea, ka wātea, āe rā, kua wātea

Rire rire hau pai marire!

Draw on, draw on,

Draw on the supreme sacredness

*To clear, to free the heart, the body and the
spirit of mankind*

To be clear, will be clear, yes is cleared.

Deeply in peace!