

**MINUTES OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING OF THE GREY DISTRICT COUNCIL****Held in Council Chambers, 105 Tainui Street, Greymouth****on Monday 19 February 2024 commencing at 3.30pm**

**PRESENT:** Mr Rob Caldwell (Chair)  
Mayor Tania Gibson (Deputy Chair), Councillor Robert Mallinson, Councillor Rex MacDonald, Councillor Jack O'Connor (arrived 3.35pm)

**IN ATTENDANCE:** Paul Morris (Chief Executive), Gerhard Roux (Group Manager Support), Neil Englebrecht (Finance Manager), Gemma Trezise (People & Capabilities Business Partner) Trish Jellyman (Democracy Advisor), Megan Bourke (Communications Officer)

**1 APOLOGIES AND DECLARATIONS OF INTEREST****1.1 APOLOGIES**

Cr O'Connor apology for lateness.

**1.2 UPDATES TO THE INTERESTS REGISTER**

The Chairman disclosed three changes to his Interests. It was agreed that the Interest Register would be updated to reflect these changes.

**1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA**

There were no conflicts of interest.

**1.4 NOTIFICATION OF LATE ITEMS**

There were no late items.

**2 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS****2.1 CONFIRMATION OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 24 OCTOBER 2023****COMMITTEE RESOLUTION RA 24/02/001**

**Moved:** Mayor Tania Gibson

**Seconded:** Cr Rex MacDonald

That the minutes of the Risk and Assurance Sub-Committee Meeting held on 24 October 2023 be confirmed as true and correct.

**Carried Unanimously**

### **3 AGENDA ITEMS**

#### **3.1 TREASURY UPDATE 31 DECEMBER 2023**

Refer page 15 of the agenda. Cr MacDonald drew attention to page 19. The GMS advised that Council remains within its compliance thresholds and there is still room to move before there are any concerns.

In response to questions from Cr Mallinson, the CE advised Council can borrow up to 175% of total revenue. It was confirmed that Council can borrow up to around \$54M from LGFA but this would be on a case by case basis. It was noted that due to trading and interest rates LGFA is who Council would go to first for borrowing.

#### **COMMITTEE RESOLUTION RA 24/02/002**

**Moved: Cr Robert Mallinson**

**Seconded: Mayor Tania Gibson**

1. That the Risk and Assurance Sub-Committee Meeting:
2. Receives the report and notes the contents.

**Carried Unanimously**

#### **3.2 ICT STRATEGY 2023-2028**

Refer page 24 of the agenda.

The GMS spoke to this report. Cr MacDonald asked if there is an opportunity for the ICT Manager to present to Council on this matter. It was agreed that the ICT Manager would attend a future meeting. Cr O'Connor acknowledged the amount of work that has gone into the strategy to get it to this stage. He asked if Council has an AI policy in place. The GMS advised that the strategy would develop into 36 policies in total including some external policies and AI will be included. It was confirmed that Council has the financial and staff resources in place to achieve this.

It was confirmed that the ISO 27000 framework will be adopted but accreditation will not be sought. The Chairman asked the committee if they feel that they are in the position to recommend that Council adopts the strategy. Cr Mallinson stated that this is a very comprehensive document and seems fit for purpose but there is the need to know what this will mean in terms of dollars for Council. Cr MacDonald agreed, he would like an indication of costs prior to making decisions that may cost Council a lot of money. The GMS advised that budget is assigned to all items as part of the Annual Plan / LTP process. He stated that the ICT strategy has a workable budget and is ready to go. In response to questions about resources, the GMS advised that there will be parts that are timebound and there may be a need for specific specialists or contractors for portions in some areas. The GMS confirmed that within the next few weeks he will be fully fledged with staff resources. The Chairman advised that to adopt the strategy in isolation of the budget would be the wrong thing to do. Cr O'Connor agreed and stated that Appendix A of the strategy reads very well. It was agreed that this committee would continue to have oversight and track progress. Her Worship commented that financial workshops for the LTP are yet to be held and costings and budget information is still awaited.

#### **COMMITTEE RESOLUTION RA 24/02/003**

**Moved: Mr Rob Caldwell**

**Seconded: Cr Rex MacDonald**

That the Risk and Assurance Sub-Committee:

1. Receives the 2023-2028 ICT Strategy report and accompanying Appendix.

**Moved: Mr Rob Caldwell**

**Seconded: Mayor Tania Gibson**

2. Advises Council that it has reviewed the ICT Strategy, and that Council considers this at its next meeting subject to the availability of budgets for the ICT Strategy.

**Carried Unanimously**

**3.3 WHISTLEBLOWERS QUARTERLY REPORT - DECEMBER 2023**

Refer page 75 of the agenda. In response to a question from Cr Mallinson, the CE advised that there is a policy in place that has been used once in the past 12 months. He advised that this policy is available and is publicised on the Council Intranet. It was confirmed that the policy does not cover external personnel and is designed for people within the organisation to be fully protected by the Whistleblower legislation. The Chairman confirmed that this is a service provided by PWC where people can call them to register a matter that they believe is under the Whistleblower legislation and is then referred through the appropriate channels. It was confirmed that this report is received quarterly.

**COMMITTEE RESOLUTION RA 24/02/004**

**Moved: Cr Jack O'Connor**

**Seconded: Mayor Tania Gibson**

That the Risk and Assurance Sub-Committee Meeting receive the report.

**Carried Unanimously**

**3.4 UPDATE FROM MINISTER FOR LOCAL GOVERNMENT**

Refer page 82 of the agenda.

The CE spoke to this report and advised that in view of the repeal of the Three Waters legislation and the replacement legislation that won't occur until around mid to late next year, the Government has offered three options. He outlined options that were made available and stated that none of these options looked attractive to Council, but Council could complete Year 1 as any of the delayed options could delay the rate strike. The CE stated that the intention is to continue with LTP but try to get a month's delay through until the end of July which means Council could still do the first instalment rate strike using the LTP numbers. The CE outlined the fourth option which is a "super" Annual Plan and contains a lot more detail around the water infrastructure, and this would take away the need to worry about what the next nine years looks like in view of the uncertainty of the new legislation. The CE stated this option is aimed at smaller Council's to allow them to do one year's Annual Plan, and Council could then do a two year LTP in 2025 / 2026 to catch up and get back into the three year cycle again. The CE advised that Council would still need to consult but will not need auditors involved, which would save a lot of time, and this is what staff are recommending. He stated that this is the best way for Council to deliver an Annual Plan and a LTP that is going to be meaningful. He said that the downside is that the LTP occurs in the same year as the local government election. It was agreed that the fourth option should be recommended to Council. The CE advised that Buller District Council and Westland District Council are also looking at taking this option. Cr Mallinson stated this is a very sensible course of action. Cr O'Connor stated he is happy to be led by staff, and it makes sense as Three Waters is still sitting in an unknown space. The CE advised this will be a mini LTP as it will

only be for two years but the annual plan and the two year LTP will align to a three year cycle. He stated that there will still be a consultation process and any major projects can be done as an amendment to the LTP. The CE advised that Council is in the same position as it was just prior to the general election, as Council does not know what is going to happen and this now gives Council space to work through the process.

#### **COMMITTEE RESOLUTION RA 24/02/005**

**Moved:** Mayor Tania Gibson

**Seconded:** Cr Robert Mallinson

That the Risk and Assurance Sub-Committee Meeting

1. Receive the report.

**Moved:** Cr Robert Mallinson

**Seconded:** Mr Rob Caldwell

2. Recommend to Council that it supports the proposal to delay the Long Term Plan until 2025 – 26 year and produce an Annual Plan for the 2024 – 25 financial year.

**Carried Unanimously**

## **4 IN COMMITTEE ITEMS**

That the public is excluded from:

The following parts of the proceedings of this meeting, namely;

### **Agenda item(s) 4.1 – 4.8**

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:

#### **COMMITTEE RESOLUTION RA 24/02/006**

**Moved:** Mayor Tania Gibson

**Seconded:** Cr Jack O'Connor

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 the passing of this resolution
4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 24 OCTOBER 2023	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

4.2 - LONG TERM PLAN 2024-2034 RISK REGISTER	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.3 - HEALTH AND SAFETY REPORT	s7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.4 - ICT AND CYBERSECURITY IMPLEMENTATION PLAN ON AUDITS PERFORMED	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.5 - STRATEGIC PRIORITIES UPDATE	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.6 - SENSITIVE EXPENDITURE REPORT - DECEMBER 2023	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.7 - REPORT ON AUDIT RECOMMENDATIONS FROM MANAGEMENT LETTER	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
4.8 - INSURANCE RENEWAL	s7(2)(b)(ii) - the withholding of the information is necessary to	s48(1)(a)(i) - the public conduct of the relevant part of the

	protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
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**Carried Unanimously**

## **5 SUB-COMMITTEE RESUME IN OPEN MEETING**

### **CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING.**

The meeting concluded at 5.40 pm.

**Confirmed**

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**R Caldwell  
Chairperson**

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Date

