

A Meeting of the Risk and Assurance Sub-Committee Meeting will be held as follows:

Date: Monday 14 October 2024
Time: 3:30pm
Venue: Council Chambers, 105 Tainui Street, Greymouth

Joanne Soderlund
Chief Executive

AGENDA

Members:

Chair: Mr Rob Caldwell
Deputy Chair: Mayor Tania Gibson
Members: Councillor Robert Mallinson
Councillor Rex MacDonald
Councillor Jack O'Connor

(Quorum 3 members)

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The information in this document is provided to facilitate good competent decisions by Council and does in no way reflect the views of Council. Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.

TERMS OF REFERENCE

Type of Committee	Council Subcommittee
Subordinate to:	Finance, Regulatory and Business Support
Subordinate Committee	None
Legislative Basis	Subcommittee reconstituted by Council as per Schedule 7, Section 30 (1) (A) Local Government Act 2002. Subcommittee delegated by powers by the Council as per Schedule 7 (Section 32) of the Local Government Act)
Membership	Independent Chair: Mr Rob Caldwell Deputy Chair: Mayor Gibson Member: Cr Robert Mallinson Member: Cr Rex MacDonald Member: Cr Jack O'Connor
Quorum	Three members
Meeting frequency	February, April, June, August and October.
Terms of Reference	<p>The purpose of the Risk and Assurance Committee is to assist the Council in discharging its responsibilities in relation to:</p> <ul style="list-style-type: none"> • The robustness of the internal control framework and financial management practices. • The integrity and appropriateness of external reporting and accountability arrangements. • The robustness of risk management system, processes, and practices. • Compliance with applicable laws and regulations. • Standards and best practice guidelines, and • The establishment and maintenance of controls to safeguard the Council's financial and non-financial assets. <p>Areas that broadly fall under the umbrella of this committee are:</p> <ul style="list-style-type: none"> • Risk management framework • Financial risk management • Health and safety risk management • Compliance with legislation

	<ul style="list-style-type: none"> • External audit or review of any Council activities, including but not limited to NZTA, Building Controls, Audits.
<p>Power to Act</p> <p>Assurance</p>	<p>For Council’s Annual Report, Consultation Document and Long Term Plan Audits,</p> <p>The Risk and Assurance Committee will:</p> <ul style="list-style-type: none"> • Approve the annual external audit proposal for the Annual Report and the audit of the Long Term Plan. • Agree the appropriateness of the Council’s existing accounting policies and principles and any proposed changes. • Enquire of external auditors for any information that affects the quality and clarity of the Council’s financial statements of service performance, and assess whether appropriate action has been taken by management in response to the above. • Satisfy itself that the financial statements of service and performance are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal control (i.e. letters of representation) and recommend to Council the signing of the financial statements by the Chief Executive / Mayor and adoption of the Annual Report. • Identify and recommend to the Council the external auditor’s remuneration and the terms of their engagement. • Confirm consulting services and related fees provided by the external auditors. • Consider and review any serious difficulties or disputes which management encountered during the audit. • Consider and review any other matters related to the conduct of the audit. • Consider and review any significant findings during the audit process and managements responses.

<p>Risk</p>	<ul style="list-style-type: none"> • Consider and review any matters considered appropriate, without the Chief Executive or other Council staff present in the meeting. • Consider and review any difficulties encountered during the audit including any restrictions on the scope of work. • Consider and review any changes required in the planned scope of the audit plan. • Consider and review the audit management letter prior to presentation to the Council. • Meet with the external Auditors at any time with or without management present as deemed appropriate by the Chairman of the committee. <p>Council is responsible for setting the tolerance to risk and risk culture at the Grey District Council. The Chief Executive is charged with implementing appropriate risk management systems within Grey District Council.</p> <p>While the responsibility for risk lies with Council, oversight of the processes to manage risk within GDC is delegated to the Risk and Assurance Committee. The Council will receive periodic reporting on those areas of risk identified by the Committee.</p> <p>The Risk and Assurance Committee will:</p> <ul style="list-style-type: none"> • Review and approve Council's risk management framework. • Review corporate risk assessment and internal work management practices. • Receive and review Health and Safety reports. • Oversight of the processes used to manage project risks. • Review insurance arrangement annually. • Overseeing Council's systems, processes, and practices for risk management: <ul style="list-style-type: none"> a) Ensure that management has in place a current and comprehensive risk management framework and associated procedures for effective identification and management of the Council's
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<p>Assurance – other</p>	<p>significant risks (including financial and non-financial risks).</p> <p>b) Consider whether appropriate action is being taken by management in its treatment of risk to either accept or mitigate Council’s significant risks.</p> <ul style="list-style-type: none"> • Monitoring insurance claims. <p>It is anticipated that the Council will from time to time be required by third parties to undertake an audit process. They may include by not be limited to Waka Kotahi, Building Control, MBIE.</p> <p>The Risk and Assurance Committee will:</p> <ul style="list-style-type: none"> • Approve (if required) any other external audit proposal. • Liaising with the relevant external auditor: <ul style="list-style-type: none"> a) At the start of each audit, confirm the terms of engagement with the external auditor including the nature and scope of the audit, timetable and fees. b) Approve the external audit engagement letter and letter of undertaking and any additional services to be provided by the external auditor. c) Receive the external audit report (s) and review action to be taken by management on significant issues and audit recommendations raised within. d) Conduct a member only session (i.e. without any management present) with external audit to discuss any matters that the auditors wish to bring to the committee’s attention and / or any issues of independence.
<p>Conflicts of Interest</p>	<p>Once per year, Committee members will provide written declarations to the Mayor, stating they do not have any conflicts of interest that would preclude them from being members of the Committee.</p>

Delegations	The Committee will in general make recommendations to Council on certain matters. Where the Committee is delegated to approve a matter this is considered a decision by the Committee.
Limits to Delegations	<p>Matters that cannot be delegated by the Council include:</p> <ul style="list-style-type: none"> • The power to make a rate. • The power to make a bylaw. • The power to borrow money, or purchase or dispose of assets, other than in accordance with the long term plan. • The power to adopt a long term plan, annual plan, annual report or strategic plan. • The power to appoint a Chief Executive. • The power to adopt policies required to be adopted and consulted on under this Act in association with the long term plan or developed for the purpose of the local governance statement. • The power to adopt a remuneration and employment policy.
Reporting Procedures	<ul style="list-style-type: none"> • After each meeting the Chair will report the committee's recommendations and findings to the Council. • The minutes of all meetings of the Committee will be presented to Council and to such other persons as the Council directs. • The Chair will present an annual report to the Council summarising the Committees activities during the year and any significant results and findings.
Power to Act.	Generally recommending powers only, but certain decisions can be taken by the committee.
Referral to Council	The minutes of the subcommittee serve before Council as a recommendation.
Management responsibility	Chief Executive

SUB-COMMITTEE IN OPEN MEETING

GENERAL BUSINESS AND TABLED ITEMS

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Sub-Committee members are reminded that if he/she has a direct or indirect interest in any item on the agenda be it pecuniary or on grounds of bias and predetermination, then he/she must declare this interest and refrain from discussing or voting on this item.

Table of Contents

1	APOLOGIES AND DECLARATIONS OF INTEREST	9
1.1	APOLOGIES.....	9
1.2	UPDATES TO THE INTERESTS REGISTER	9
1.3	IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA.....	9
1.4	NOTIFICATION OF LATE ITEMS.....	9
2	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	10
2.1	CONFIRMATION OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 26 AUGUST 2024.....	10
3	AGENDA ITEMS.....	15
3.1	MATTERS UNDER ACTION.....	15
3.2	TREASURY UPDATE 30 SEPTEMBER 2024	17
3.3	HEALTH AND SAFETY REPORT	27
4	IN COMMITTEE ITEMS.....	34
4.1	CONFIRMATION OF IN COMMITTEE MINUTES OF RISK AND ASSURANCE SUB- COMMITTEE MEETING HELD ON 26 AUGUST 2024.....	34
4.2	ICT AND CYBERSECURITY IMPLEMENTATION PLAN ON AUDITS PERFORMED.....	34
4.3	LONG TERM PLAN 2025-2034 RISK REGISTER	35
5	SUB-COMMITTEE RESUMES IN OPEN MEETING.....	36

1 APOLOGIES AND DECLARATIONS OF INTEREST

1.1 APOLOGIES

Nil

1.2 UPDATES TO THE INTERESTS REGISTER

Sub-Committee members to please advise if there are any changes to be made to the current Interests Register.

1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA

Notification from committee members of:

- 1.3.1 Any interests that may create a conflict with their role as a committee member relating to the items of business for this meeting (prior to taking part in the deliberation of a particular item); and
- 1.3.2 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.

1.4 NOTIFICATION OF LATE ITEMS

Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

- 1.4.1 The Committee by resolution so decides; and
- 1.4.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

2.1 CONFIRMATION OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 26 AUGUST 2024

SUGGESTED RECOMMENDATION

That the minutes of the Risk and Assurance Sub-Committee Meeting held on 26 August 2024 be confirmed as true and correct.

MINUTES OF THE RISK AND ASSURANCE SUB-COMMITTEE MEETING OF THE GREY DISTRICT COUNCIL**Held in Council Chambers, 105 Tainui Street, Greymouth****on Monday 26 August 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.

IN ATTENDANCE: Neil Engelbrecht (Finance Manager), Russel Maliwat (ICT Manager), Murray Staite (Finance), Megan Bourke (Communications Officer), Catriona Bayliss (Minutes Secretary)

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

There were no apologies.

1.2 UPDATES TO THE INTERESTS REGISTER

There were no updates to the Interest Register.

1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA

There were no declarations 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 4 JUNE 2024**

COMMITTEE RESOLUTION RA 24/08/022

Moved: Cr Rex MacDonald

Seconded: Mayor Tania Gibson

That the minutes of the Risk and Assurance Sub-Committee Meeting held on 4 June 2024 be confirmed as true and correct.

Carried Unanimously

3 AGENDA ITEMS

3.1 TREASURY UPDATE 30 JUNE 2024

Refer page 16 of the agenda.

Mr Caldwell noted that in reading the report there are a couple of non-compliances but these have worked to the advantage of Council.

There were no questions from members in relation to the report.

COMMITTEE RESOLUTION RA 24/08/023

Moved: Mr Rob Caldwell

Seconded: Cr Rex MacDonald

That the Risk and Assurance Sub-Committee Meeting:

1. **Receives the report and notes the contents.**

Carried Unanimously

3.2 HEALTH AND SAFETY REPORT

Refer page 25 of the agenda.

No staff were available to attend however Mr Caldwell noted that, as always, the report was comprehensive.

Cr Mallinson said it was pleasing to see a 12% increase in compliance. The Finance Manager advised that the H&S Advisor had provided him with a brief update prior to the meeting and they are currently ahead of their compliance target and reaching a point where continued improvement will be difficult.

Cr O'Connor noted an increase in slips, trips and falls but more concerning was Stress and Wellbeing with it noted that further action was required and he suggested this should automatically happen for matters of this nature. The Committee agreed this should be followed up and staff be asked to provide details of the action taken for the next meeting (Action Point).

Mr Caldwell noted that further discussion may need to take place In Committee to protect privacy of staff.

COMMITTEE RESOLUTION RA 24/08/024

Moved: Cr Robert Mallinson

Seconded: Cr Jack O'Connor

1. **That the Risk and Assurance Sub-Committee Meeting receives the report.**

Carried Unanimously

The Chair acknowledged this section of today's meeting had been fairly short but the agenda had intentionally been kept brief in recognition of staff's current workload.

4 IN COMMITTEE ITEMS

That the public is excluded from this part of the meeting in relation to:

Agenda items 4.1 & 4.2

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 24/08/025

Moved: Cr Robert Mallinson

Seconded: Cr Rex MacDonald

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 4 JUNE 2024	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 - ICT AND CYBERSECURITY IMPLEMENTATION PLAN ON AUDITS PERFORMED	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 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

4.3 Murray Staite, Financial Advisor, be permitted to stay for the public excluded section of the meeting.

Carried Unanimously

5 SUB-COMMITTEE RESUMES IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING.

The meeting concluded at 4.20 pm.

Confirmed

R Caldwell

Chairperson

_____/_____/_____

Date

3 AGENDA ITEMS

3.1 MATTERS UNDER ACTION

File Number:

Report Author: Democracy Advisor

Report Authoriser: Chief Executive

Appendices: 1. Matters Under Action

Please see attachment.

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

- (a) This report contains:
 - (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
 - (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.
- (b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

ACTIONS REPORT		Printed: 9 October 2024 11:51 am
Division:		Date From: 26/08/2024
Committee:	Risk and Assurance Sub-Committee Meeting	Date To: 26/08/2024
Officer:		

Meeting	Date	Officer	Title	Target
Risk and Assurance Sub-Committee Meeting 26/08/2024	26/08/2024	Trezise, Gemma	Health and Safety Report	9/09/202

Notes
 The H&S report referred to staff stress and wellbeing matters and it was noted that action should automatically happen for matters of this nature. Staff were asked to provide details of the action taken for the next meeting.

3.2 TREASURY UPDATE 30 SEPTEMBER 2024**File Number:****Report Author:** Finance Manager**Report Authoriser:** Chief Executive**Appendices:** 1. Quarterly Treasury Dashboard**1. REPORT PURPOSE**

- 1.1. The purpose of this report is to provide the Committee with an update of Council's treasury position as of 30 September 2024.

2. OFFICER RECOMMENDATION

1. That the Risk and Assurance Sub-Committee Meeting receives the report.

3. BACKGROUND

- 3.1. Council manages its treasury functions in accordance the treasury policies adopted as part of the 2021/31 Long Term Plan.
- 3.2. Bancorp Treasury Services Limited are engaged by Council to provide Treasury related services to Council and ensure Council complies with its adopted treasury policies.
- 3.3. Bancorp provide a quarterly update which is attached in Appendix 1.
- 3.4. Council is compliant with it the policy bands set out in the treasury policy.

3.5. Significance and Engagement

3.5.1. As there is no decision to be made the assessment of significance is low.

4. NEXT STEPS

4.1. The sub-committee will continue to receive quarterly reports.

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

- (a) This report contains:
 - (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
 - (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.
- (b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.



Quarterly Treasury Dashboard

30 September 2024

STRICTLY PRIVATE AND CONFIDENTIAL



BANCORP



Economic Commentary

2

Global (for the September 2024 quarter)

The US Federal Reserve began its cutting cycle on 18 September, lowering the Fed Funds rate by 50 basis-points (“bps”) to a target range of 4.75% - 5.00%. The Federal Open Market Committee (“FOMC”) indicated 2 more 25 bps cuts by the end of the year. Notably, the FOMC vote was 11-1 in favour of the 50bps cut, with Governor Michelle Bowman instead advocating for a 25bps cut, the first dissenting vote by a Fed governor since 2005. The post-meeting statement declared, *“The Committee has gained greater confidence that inflation is moving sustainably toward 2 percent, and judges that the risks to achieving its employment and inflation goals are roughly in balance,”* with Fed Chair Jerome Powell stating in a news conference that *“We’re trying to achieve a situation where we restore price stability without the kind of painful increase in unemployment that has come sometimes with this inflation. That’s what we’re trying to do, and I think you could take today’s action as a sign of our strong commitment to achieve that goal.”*

Markets are now projecting the Fed Funds rate to fall to 4.00% by the end of the year, 3.00% by August 2025 and 2.75% by the end of 2025. The benchmark US 10 year bond rate opened the quarter at 4.47% which represented the high for the quarter, fell to a low of 3.60% on the day of the Fed September meeting, but subsequently retraced a little of the down move and finished September at 3.78%. This post Fed increase demonstrates that the markets were expecting a 50 bps cut, so it was a classic case of *‘buy the rumour sell the fact’*.

The Bank of England (“BoE”) and Sweden’s Riksbank cut their cash rates over August. Despite the ongoing weakness in the Chinese economy, the People’s Bank of China (“PBoC”), after its July rate cuts, initially left its key interest rates unchanged in September. However, in late September the PBoC released a multitude of stimulus measures which included reducing a number of key interest rates to try help its slowing economy.

Against the global rate-cutting trend, the Bank of Japan (“BoJ”) remains an outlier and increased the cash rate by 15bps to 0.25%. The BoJ also intervened to support the yen spending USD36.6 billion in August following on from June’s USD65.0bn of US dollar sales. This time it was helped by general US dollar weakness, which saw investors aggressively unwind yen sourced carry trades. Markets are not expecting any further BoJ rate hikes until December.

The Reserve Bank of Australia (“RBA”) again left its cash rate unchanged at 4.35% at its 24 September meeting and implied no cuts until early 2025. The RBA reiterated its commitment to combating inflation while acknowledging the uncertain economic outlook. The unemployment rate was steady at 4.2%, with a positive employment change of 47,500 workers, better than the expected 26,400.



Economic Commentary

New Zealand (for the September 2024 quarter)

3

	OCR	90 day	2 years	3 years	5 years	7 years	10 years
30-Jun-24	5.50%	5.63%	4.80%	4.51%	4.38%	4.38%	4.46%
30-Sep-24	5.25%	4.87%	3.58%	3.47%	3.55%	3.70%	3.89%
Change	-0.25%	-0.76%	-1.22%	-1.04%	-0.83%	-0.68%	-0.57%

The Reserve Bank of New Zealand (“RBNZ”) cut the Official Cash Rate (“OCR”) by 25bps to 5.25% at its August *Monetary Policy Statement* as the central bank was, “*Confident inflation (will be) back in its target band*”. Following the MPS, at the Government’s Finance and Expenditure Select Committee, RBNZ Governor Adrian Orr emphasised the need for OCR cuts to address the weak economy, and reiterated the RBNZ’s commitment to controlling inflation stating, “*The current economic environment is weak (and the) economy is weaker than anticipated 6-months ago. We have strong control over the inflation story. There was no talk on committee of raising rates again. We are not done yet on inflation, but it’s definitely moving in the right direction. If inflation expectations are well anchored, we can look through some of the noise*”. There is no doubt that the economy warrants an accelerated cutting cycle, but it does raise the question of credibility given the RBNZ’s abrupt change in its outlook since the prior May MPS.

GDP fell in the June quarter by -0.2%, with an annual decrease of -0.5%, slightly better than forecasts of -0.4% and -0.6%, respectively. GDP per capita fell 0.5% in the second quarter and was down 2.7% for the year. Primary industries saw the greatest decline over the quarter, with a -1.6% drop. Goods-producing industries increased by 0.7% over the quarter, although with a -3.2% decrease over the year, manufacturing increasing by 1.9% over the quarter and a -4.3% decrease over the year. Services were overall flat over the quarter, with a 0.7% increase over the year.

The current account deficit grew to \$27.8 billion in the year to June, or around 6.7% of GDP. This is slightly worse than the previous \$27.6 billion for the year to March. The deficit for the June quarter was \$7.2 billion, \$269 million more than the March quarter. The goods deficit widened by \$110 million to \$2.6 billion, as goods imports increased by \$183 million, led by transport equipment, while exports were up by \$74 million, led by meat and other commodities such as aluminium, wine, and fish. The services deficit narrowed by \$28 million to \$501 million over the quarter, with exports up \$127 million, led by transportation services, while imports increased \$99 million, led by New Zealanders spending while travelling overseas.

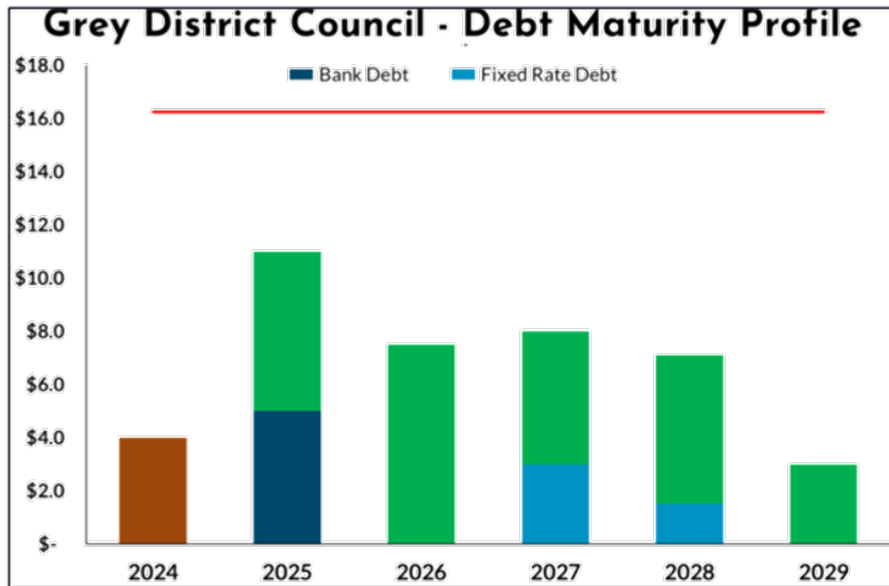
The weak GDP figures are expected to help reduce inflation, which the RBNZ is projecting to fall to 2.3% in the September 2024 year (currently it is 3.3%). Markets are pricing in a 100% probability of the OCR being at 5.00% in October 2024 and a 72% probability that it will be at 4.75%, while for November 2024 markets are pricing a 100% probability that the OCR will be at 4.50% and a 56% probability that it will be at 4.25%. By November 2025 markets are projecting it to have fallen to 2.75%.

Interest rate swap rates fell sharply over the quarter, even more so at the shorter end of the yield curve where the presumed future OCR cuts have more of an influence than at the longer end of the curve which is largely driven by moves in US and global bond rates. However the moves at the long end of the curve have still been significant driven by the moves in US and global bond yields. This flattening of the local yield curve reduces the benefit of forward start swaps compared to spot swaps but given the fall in spot swaps they are now providing more benefit than earlier in the year.



Liquidity and Funding

4



Debt
\$35.6m
 External Council Drawn Debt

LGFA
\$35.6m
 Funds Drawn from LGFA

Liquidity = undrawn bank facility + term deposits + cash in bank
\$10.56m

Liquidity Ratio (must be >110%)
129.66%
 Definition: (Cash Reserves + Lines of Credit + Drawn Debt)/Drawn Debt

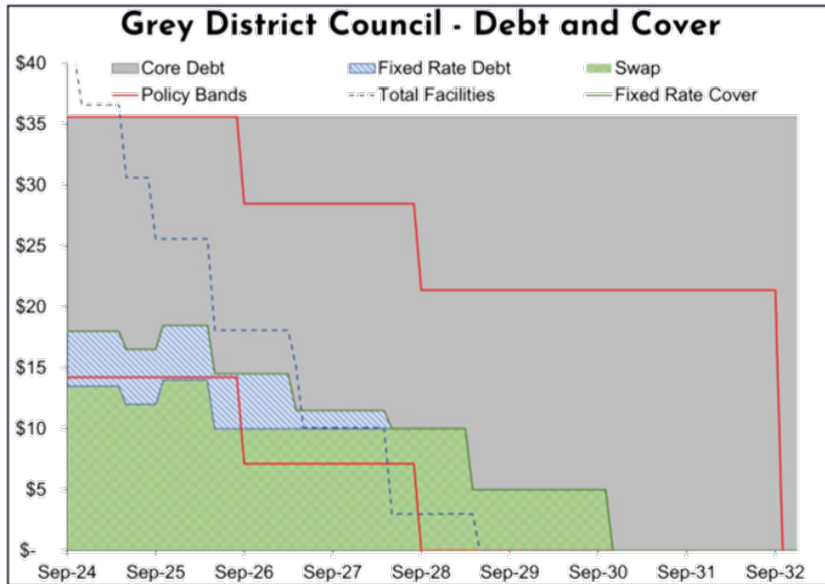
Cost of Funds as at 30 September 2024
5.10%

Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	Yes
Is the funding maturity profile within policy control limits?	Yes
Is liquidity within policy control limits?	Yes
Are Term Deposit counterparty exposures within policy control limits?	Yes

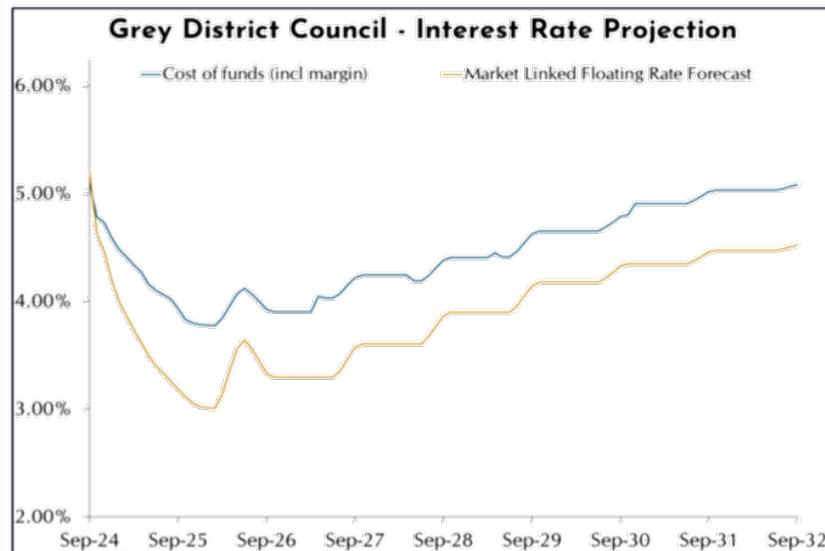


Interest Rate Risk Management

5



Current % of Debt Fixed	50.6%
Current % of Debt Floating	49.4%
Value of Fixed Rate (m)	\$18.0
Weighted Average Cost of Fixed Rate Instruments	3.68%
Value of Forward Starting Cover	\$5.0
Value of Floating Rate (m)	\$17.6
Current Floating Rate	4.87%
All Up Weighted Average Cost of Funds Including Margin	5.10%
Total Facilities In Place	\$40.6



Fixed Rate Hedging Bands			
	Minimum	Maximum	Policy
0 - 2 years	40%	100%	Compliant
2 - 4 years	20%	80%	Compliant
4 - 8 years	0%	60%	Compliant

Please note that GDC's cost of funds is projected to decline significantly from the current level of 5.10% over the next two years. This is depicted in the chart to the left.



Grey DC - Funding

6

As of 30 September 2024, Grey DC had \$35.6 million of core debt, all of which is sourced from the LGFA using Commercial Paper ("CP"), Floating Rate Notes ("FRN's") and Fixed Rate Bonds ("FRB's"). Details of the debt as of 30 September are as follows.

Instrument	Maturity	Yield	Margin	Amount
LGFA CP	15-Nov-24	5.57%	N/A	\$4,000,000
LGFA FRN	15-May-25	5.84%	0.57%	\$3,000,000
LGFA FRN	15-May-25	5.78%	0.51%	\$3,000,000
LGFA FRN	15-May-26	5.88%	0.62%	\$4,000,000
LGFA FRN	15-May-26	5.73%	0.66%	\$3,500,000
LGFA FRB	15-Apr-27	1.95%	N/A	\$3,000,000
LGFA FRN	15-May-27	5.98%	0.71%	\$5,000,000
LGFA FRN	15-May-28	6.32%	0.68%	\$3,600,000
LGFA FRB	15-May-28	5.11%	N/A	\$1,500,000
LGFA FRN	15-May-28	6.04%	0.77%	\$2,000,000
LGFA FRN	15-May-29	6.32%	1.06%	\$3,000,000



LGFA Borrowing Rates

7

Listed below are the credit spreads and applicable interest rates as at the end of June for Commercial Paper ("CP"), Floating Rate Notes ("FRN") and Fixed Rate Bonds ("FRB"), at which Grey District Council could source debt from the Local Government Funding Agency ("LGFA").

Maturity	Margin	FRN (or CP Rate)	FRB
3 month CP	0.20%	5.07%	N/A
6 month CP	0.20%	5.19%	N/A
April 2025	0.57%	5.44%	5.10%
April 2026	0.65%	5.52%	4.30%
April 2027	0.77%	5.64%	4.18%
May 2028	0.91%	5.78%	4.30%
April 2029	1.06%	5.93%	4.49%
May 2030	1.17%	6.04%	4.68%
May 2031	1.25%	6.12%	4.84%
April 2033	1.35%	6.22%	5.07%
May 2035	1.42%	6.29%	5.25%
April 2037	1.49%	6.36%	5.42%



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3.3 HEALTH AND SAFETY REPORT

File Number: F/7

Report Author: People and Capability Business Partner

Report Authoriser: Chief Executive

Appendices: 1. 241014 Health Safety Wellbeing Report

1. REPORT PURPOSE

1.1. To update the Audit and Risk Committee on Council's health and safety performance.

2. EXECUTIVE SUMMARY

2.1. Reporting period: 20 July to 30 September 2024.

2.2. Council's Safe365 HSWA Competence rating is 77%, an increase of 0%.

2.3. A Safe365 HSWA Competence rating target of 88% has been allocated.

2.4. A total number of 30 safety reports have been recorded during the reporting period.

2.5. Council Safe Plus review identified seven recommendations, nine actions are in progress.

2.6. Council engages with 123 contractors, of which 58 meet a pre-approved status – no change.

2.7. 200 Contractor site safety inspections conducted during the reporting period.

3. OFFICER RECOMMENDATION

1. That the Risk and Assurance Sub-Committee Meeting receives the report.

4. BACKGROUND

4.1. This report provides an overview of the current status of Council's specific to Occupational Health, Safety and Wellbeing Practices.

4.2. Under the Health and Safety at Work Act 2015 (HSWA), Council must exercise a duty of due diligence in relation to health and safety. These reports will provide information to allow informed decision making and appropriate assessment of risk within the Council.

5. ANALYSIS AND ADVICE

5.1. Council's key safety indicators include four key metrics: lost time injury frequency rate (LTIFR), safety reports, safety observations (unsafe conditions), and corrective actions/critical risks.

5.2. Council has had a total of six work related accidents reported, thus our LTIFR (the number of lost time injuries that occurred during the reporting period) is currently 11.31.

6. SIGNIFICANCE AND ENGAGEMENT

6.1. The assessment of significance is low.

Issue	Level of Significance	Explanation of Assessment
Is there a high level of public interest, or is decision likely to be controversial?	Low	Report is not a decision report but an action list of work on from the H&S Audit Action Plan.
Is there a significant impact arising from duration of the effects from the decision?	N/A	N/A
Does the decision relate to a strategic asset? (refer Significance and Engagement Policy for list of strategic assets)	No	N/A
Does the decision create a substantial change in the level of service provided by Council?	No	N/A
Does the proposal, activity or decision substantially affect debt, rates or Council finances in any one year or more of the LTP?	No	N/A
Does the decision involve the sale of a substantial proportion or controlling interest in a CCO or CCTO?	No	N/A
Does the proposal or decision involve entry into a private sector partnership or contract to carry out the deliver on any Council group of activities?	No	N/A
Does the proposal or decision involve Council exiting from or entering into a group of activities?	No	N/A

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

- (a) This report contains:
- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
 - (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.
- (b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.
















Health, Safety & Wellbeing Report

Reporting Period: 20 July 2024 to 30 September 2024

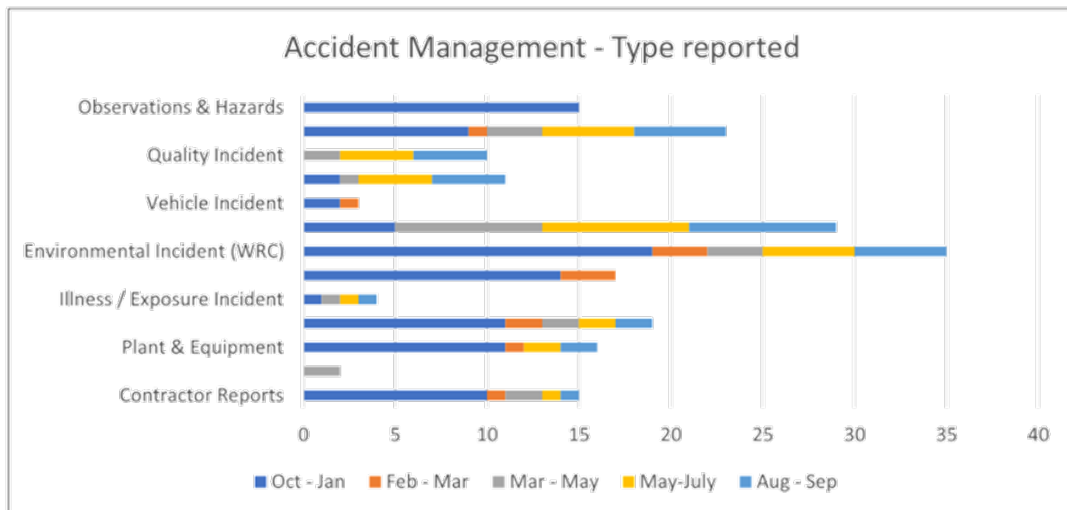
Safety Summary

Accident Management	<ul style="list-style-type: none"> - 30 reports received in the reporting period - 352 reports received Year to date - 11.31 Lost Time Injury Frequency Rate (LTIFR)
Compliance (Safe365)	<ul style="list-style-type: none"> - Council's current Safety Index is 77% (previously 77%) - 0% increase in the reporting period - HSWA compliance goal is 88% (3 year plan 2024-27)
Culture (Safe Plus)	<ul style="list-style-type: none"> - Result of survey identify Council performing in the three core elements: Leadership, Worker Engagement and Risk Management - 7 improvement recommendations provided
Risk Management	<ul style="list-style-type: none"> - 0 Job Safety Analysis developed - 0 JSA training sessions - 37 High Risk Hazards identified (increase of 1)
Contractor Management	<ul style="list-style-type: none"> - 142 Contractor site safety inspections conducted - 55 minor site inspections ie: Utilities connections and restorations - Of the 142 major site inspections : 1 non-conformance with a failed reinforcing detail/pour without approval and 6 minor fails based on restoration - 0 Reports or observations - 1 Contractor documents reviewed for site specific tasks

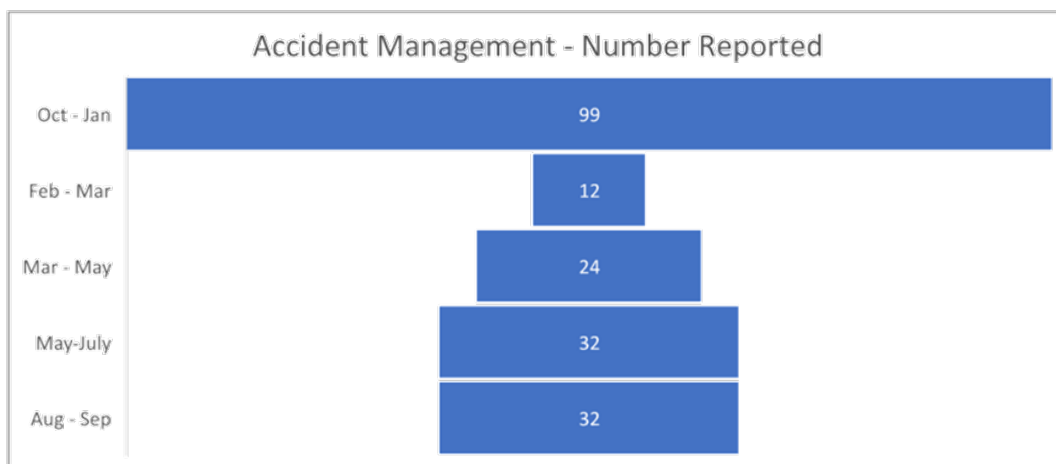
Accident Management

Risk Categories		Total Reports During Reporting Period	Total Reports requiring action	YTD reports (Rolling 12mths)
Contractor Reports	Critical Risk Categories		0	15
Heights / Confined Space			0	2
Plant & Equipment			1	16
Aggression			3	19
Illness & Exposure Incident			0	4
Injury Incident		0	39	
Environmental Incident (WRC)		5	56	
Slip, Trip and Fall		8	26	
Vehicle Incidents		0	21	
Stress and Wellbeing		4	15	
Quality Incident		4	10	
Near Miss / Close Call		5	50	
Observations & Hazards		0	32	
Totals		30	0	199

Note: Correction for previous reports – YTD reports were total, not rolling 12 months as indicated.

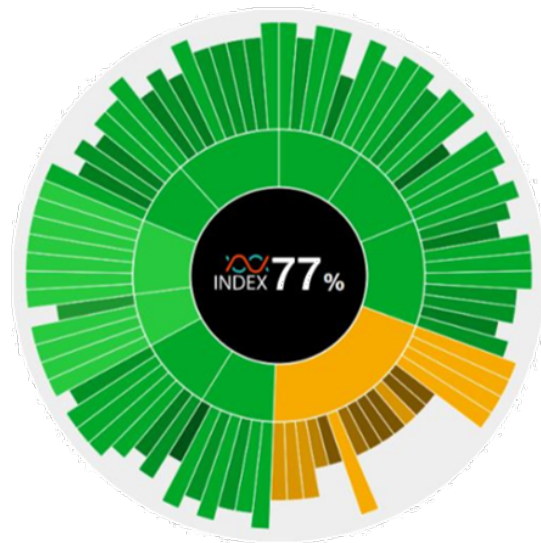


Type	Oct - Jan	Feb-Mar	Mar-May	May-July	Aug-Sep	Totals
Contractor Reports	10	1	2	1	1	15
Heights / Confined Space	0	0	2	0	0	2
Plant & Equipment	11	1	0	2	2	16
Aggression	11	2	2	2	2	19
Illness / Exposure Incident	1	0	1	1	1	4
Injury Incident	14	3	0	0	0	17
Environmental Incident (WRC)	19	3	3	5	5	35
Slip/Trip/Fall	5	0	8	8	8	29
Vehicle Incident	2	1	0	0	0	3
Stress / Wellbeing	2	0	1	4	4	11
Quality Incident	0	0	2	4	4	10
Near Miss / Close Call	9	1	3	5	5	23
Observations & Hazards	15	0	0	0	0	15
Total	99	12	24	32	32	199



Lost Time Injury Frequency Rate (LTIFR)	11.31
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Compliance (Safe365)



Council has not increase their compliance rate in this reporting period.

Employee Wellbeing Initiatives

- **Corporate Coaching Programme *NEW*** – Council will be offering a corporate coaching programme to assist employees with workplace challenges that cause stress. This initiative is under development and will be rolled out in November 2024.
- **Wellness Workouts *NEW*** - Council are currently developing wellness workouts with support of our WRC team to encourage desk stretches, body movement and holistic wellbeing. These videos will be available to all staff and played in the Chamber for group sessions on a regular basis. This initiative is under development and will be rolled out in January 2025.
- **My Everyday Wellbeing Portal** – a portal providing information of all aspects of wellbeing and health, from fitness, food and information on relevant health issues such as diabetes. This includes monthly communications on information, plans and advice.
- **Workplace Support** –regularly visit all Council sites and provide independent and confidential support, where employees can discuss any matter that might concern them or affect their wellbeing.
- **Internal support** – our HR personal regularly work with employees to manage workplace challenges resulting in stress, disengagement, and unhappiness.
- **Counselling Sessions** – As a component of workplace support, employees can be referred to a professional counselling service to receive up to 3 Counselling sessions.
- **Fitness** – Council offers a discounted group rate for our recreational centre.
- **Exercise Allowance** – Council offers 1 hour of exercise allowance per week.



Culture (Safe Plus)

	Developing	Performing	Leading
Leadership		✓	
Worker Engagement		✓	
Risk Management		✓	

<p>Worker Engagement</p>	<p>Recommendation:</p> <ol style="list-style-type: none"> 1. Check that the time and resources (including people, money and support) allocated to encourage and support workers in health and safety is being used successfully. <p>Assessment results show:</p> <ul style="list-style-type: none"> • That workers can get involved and have their say in health and safety, however, results also show that the organisation needs to get better at resourcing and supporting workers and their representatives to get involved in health and safety. <p>Actions completed in reporting period:</p> <ul style="list-style-type: none"> • Considering how to apply Worksafe method to support a positive culture through their 10 suggestions. This needs to be applied by managers. • Development of coaching programme to assist in application of safety • Working closely with Project Manager to apply safety externally (contractors) • New resources in development continued • Intranet resource page undergoing a update and refresh (on hold) • Promotion of committee, resources and training opportunities continued
<p>Risk Management</p>	<p>Recommendation:</p> <ul style="list-style-type: none"> • Improve your processes to check that the actions taken to reduce risk (control measures) are keeping workers healthy and safe. • Identify external information (eg from relevant WorkSafe guidance, industry publications) that should be included in your management of critical risks (the risks which could lead to death or serious/irreversible harm). • Develop skills and understanding of the methods used to control the organisation's critical risks. • Improve your processes to manage the risks from work-related stress. <p>Assessment results show:</p> <ul style="list-style-type: none"> • That the organisation, with help from workers and their representatives, needs to get better at checking that the actions taken to reduce risk (control measures) are keeping workers healthy and safe. Also that the organisation needs to get better at managing the risks from work related stress. • That the organisation needs to get better at managing the risks from work related stress. <p>Actions completed in reporting period:</p> <ul style="list-style-type: none"> • Risk management resource and training in development • Development of Job Safety Analysis underway, with a primary focus on high risk • Working with small business owner to support with safety requirements
<p>Leadership</p>	<p>Recommendation:</p> <ol style="list-style-type: none"> 2. Involve workers and their representatives when reviewing risk management activities. 3. Confirm the resources (including people, time, money and support) allocated for dealing with risks to worker safety are being used effectively. <p>Assessment results show:</p> <ul style="list-style-type: none"> • That Leadership and Operations have a different view on whether the organisation, with workers and their representatives, reviews how successful it is at managing risks and wider health and safety. • The Senior/Executive Managers and Team Leader/Supervisors have a different view on whether the organisation makes enough resources (including people, time, money and support) available to deal with risks to worker safety. <p>Actions completed in reporting period:</p> <ul style="list-style-type: none"> • Nil



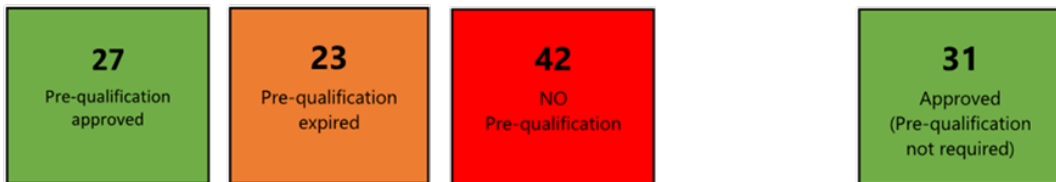
Risk Management

Below is a list of activities performed in relation to risk management.

Safety training / information distributed	0	
Reviewed / developed safety material	0	
Council site safety inspections	0	
Stop work notices issued	0	
High risk hazards identified	37	Across 11 teams (increase of 0)
Job Safety Analysis	0	
Risk management training	0	
Permits to work	0	
WorkSafe notifications	0	

Contractor Management

Contractor Safety Project: Prequalification



Below is a list of activities performed in relation to contractor management.

Contractors identified for pre-qualification	123
Contractor documents reviewed for site specific tasks (<i>safety plans, Sops etc</i>)	1
Contractor site safety inspections 1 non-conformance with a failed reinforcing detail/pour without approval and 6 minor fails based on restoration	145
Contractor minor site inspections ie: Utilities connections and restorations	55
Contractor Reports (accidents and incidents)	0
Contractor Observations (Potential hazards)	0

4 IN COMMITTEE ITEMS

COUNCIL IN-COMMITTEE

That the public is excluded from this part of the meeting in relation to:

Agenda items 4.1, 4.2 and 4.3

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:

OFFICER RECOMMENDATION

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
<p>4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 26 AUGUST 2024</p>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>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</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>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</p>
<p>4.2 - ICT AND CYBERSECURITY IMPLEMENTATION PLAN ON AUDITS PERFORMED</p>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the</p>

	<p>information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	<p>disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p>4.3 - LONG TERM PLAN 2025-2034 RISK REGISTER</p>	<p>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</p>	<p>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</p>

5 SUB-COMMITTEE RESUMES IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING