

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

Date: Monday 10 February 2025
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 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:	Council
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.

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1 APOLOGIES AND DECLARATIONS OF INTEREST

1.1 APOLOGIES

Cr Robert Mallinson is on leave of absence from 10/02/25 to 10/02/25

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 14 OCTOBER 2024

SUGGESTED RECOMMENDATION

That the minutes of the Risk and Assurance Sub-Committee Meeting held on 14 October 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 14 October 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: Joanne Soderlund (Chief Executive), Neil Engelbrecht (Finance Manager), Gemma Trezise (People & Capability Business Partner), Trish Jellyman (Democracy Advisor), Shannon Beynon (Communications & Engagement)

The Chairman welcomed Council's new Chief Executive, Joanne Soderlund to her first meeting.

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 26 AUGUST 2024

COMMITTEE RESOLUTION RA 24/10/029

Moved: Cr Robert Mallinson

Seconded: Cr Rex MacDonald

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

Carried Unanimously

3 AGENDA ITEMS

3.1 MATTERS UNDER ACTION

Refer page 15 of the agenda.

3.2 TREASURY UPDATE 30 SEPTEMBER 2024

Refer page 17 of the agenda.

The FM advised that the main item is the drop in interest rates. He advised that Council is no longer in breach of its Fixed Rate Hedging Bands and the Fixed Interest Rate cover.

The Chairman clarified his understanding that specific loans are related to specific projects and Council will fund loan repayments around those activities and that money will be held in reserve to then be repaid from the loans as they mature.

The FM confirmed that floating debt works the same as all loans have a fixed maturity date and will be paid in the year that they mature and interest rate swaps and fixed rate swaps will be in line with this.

Cr Mallinson asked the FM if this takes into account the debt that should have been repaid in the last two years. The FM confirmed this and stated that catch ups will be done. He stated that loans are only repaid on maturity. He advised that he has prepared loan details for the next LTP Workshop.

The Chairman noted that where interest rates have moved to, there has been a 50 point reduction which will flow through to here at some point. He stated that looking at maturities against the parameters in the graph, currently fixed rate debt is at the low end of the range but he feels that at some point this should probably increase. He suggested that Council may wish to consider seeking advice on at what trigger points it should be increasing the percentage of fixed rate debt it has. He noted that the Treasury Management Policy is currently under review for the LTP and suggested that Bancorp may be able to assist with a Treasury strategy. The CE agreed that this is a good opportunity for a review. The FM stated that even without changing the policy Council has quite a bit of movement available. The Chairman stated that it may be strategically beneficial to Council in terms of future borrowing.

The Chairman stated that full Council may wish to be involved with the Treasury Management Policy once this committee has had a good look at it.

COMMITTEE RESOLUTION RA 24/10/030

Moved: Mr Rob Caldwell

Seconded: Mayor Tania Gibson

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

Carried Unanimously

3.3 HEALTH AND SAFETY REPORT

Refer page 27 of the agenda.

The PCBP spoke to this report. She outlined the initiatives of the Wellbeing Policy.

Cr O'Connor noted that stress is showing as a rising risk and it is good to see this policy in place as it is very comprehensive.

The PCBP advised the numbers for incidents in the report is incorrect. The correct number is 199 incidents for the year to date.

Cr MacDonald asked how contractor management is going.

The PCBP responded that preapproval numbers are static at the moment but she is hoping for a shift in this space. She advised that Council's Project Manager is carrying out site safety inspections. He checks that the correct equipment is being used and that site visits are being recorded. She stated that not much information from contractors is being received regarding incidents and accidents on site but she is expecting this to improve as relationships with contractors are improved.

The Chairman requested that the PCBP provides a graph that shows how lost time and injury rates are going over time as he would like to know if there are any long term absences related to incidents. It was confirmed that these figures are just for Council staff and not contractors.

The PCBP confirmed that Culture (Safe Plus) is done through WorkSafe and they conduct the free survey. She stated that Council will now have a true methodology in this area which will provide consistency.

The Chairman commented that this is all part of continual improvement.

COMMITTEE RESOLUTION RA 24/10/031

Moved: Cr Rex MacDonald

Seconded: Cr Jack O'Connor

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

Carried Unanimously

4 IN COMMITTEE ITEMS

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

Agenda items: 4.1 and 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 24/10/032

Moved: Mr Rob Caldwell

Seconded: Cr Robert Mallinson

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 26 AUGUST 2024	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely	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>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>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 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>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>4.3 - 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>

Motion Carried

5 SUB-COMMITTEE RESUMES IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING.

The meeting concluded at 4.35 pm

Confirmed

R Caldwell

Chairperson

____/____/____

Date

UNCONFIRMED

3 AGENDA ITEMS

3.1 MATTERS UNDER ACTION

File Number:

Report Author: Democracy Advisor

Report Authoriser: Chief Executive

Appendices: Nil

Currently there are no outstanding actions.

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.

3.2 DRAFT ANNUAL REPORT FOR AUDIT PURPOSES

File Number:**Report Author:** Finance Manager**Report Authoriser:** Finance Manager**Appendices:** 1. Draft Annual Report (under separate cover)

1. REPORT PURPOSE

- 1.1. The purpose of this report is to update members on the progress of the 2025 Annual Report and its subsequent Financial Statements.

2. OFFICER RECOMMENDATION

That the Risk and Assurance Sub-Committee Meeting:

1. Receives the draft Annual Report for the year ended 30 June 2024 and confirms that this can be provided to Ernst & Young for audit purposes.

3. BACKGROUND

- 3.1. Council's Auditors, Ernst & Young, commenced the year end audit of the Annual Report for the year ended 30 June 2024, on 27 January 2025, working remotely.
- 3.2. Ernst & Young has requested the draft financial statement section of the Annual Report for audit purposes.

4. SIGNIFICANCE AND ENGAGEMENT

- 4.1. The receiving of this report is not considered significant.

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.

3.3 TREASURY UPDATE 31 DECEMBER 2024**File Number:****Report Author:** Finance Manager**Report Authoriser:** Finance Manager**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 31 December 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

31 December 2024

STRICTLY PRIVATE AND CONFIDENTIAL



BANCORP



Economic Commentary (for the December 2024 quarter)

2

Global

10 Year Government Bond Rates						
	US	NZ	Australia	UK	Germany	China
30-Sep-24	3.85%	4.24%	4.00%	4.00%	2.12%	2.17%
31-Dec-24	4.60%	4.41%	4.36%	4.57%	2.36%	1.67%
Change	+0.75%	+0.17%	+0.36%	+0.57%	+0.24%	-0.50%

As the above table shows, US long-term rates have moved significantly higher in the December quarter. Behind this move is a view that Trump's pro-growth policies will make the US Fed more cautious in delivering further rate cuts. Trump's inauguration on the 20th of January will be closely watched as he rolls out his policies, focusing on tariffs, geopolitics, immigration settings and future US government debt levels. Market expectations of further Fed rate cuts have been paired back with no rate cut expected at the next meeting on 29 January. However, there remain expectations of at least two rate cuts in 2025.

The US remains the global economy's bright spot, with China and Europe remaining weak. China is particularly vulnerable, given the threat of significant US tariffs. Europe is emerging from a period of stagnation, a Ukrainian/Russian-induced energy crisis and is exposed to protectionist US trade policies.

In Australia, the Reserve Bank of Australia ("RBA") has continued with a cautious approach to monetary policy, saying that inflation remains too high. This has resulted in continued restrictive policy settings. However, the market is pricing in 50 basis points of cuts by August 2025.

New Zealand

	OCR	90 day	2 year swap	3 year swap	5 year swap	7 year swap	10 year swap
30-Sep-24	5.25%	4.87%	3.58%	3.47%	3.55%	3.70%	3.89%
31-Dec-24	4.25%	4.17%	3.38%	3.38%	3.52%	3.72%	3.93%
Change	-1.00%	-0.70%	-0.20%	-0.09%	-0.03%	+0.02%	+0.04%

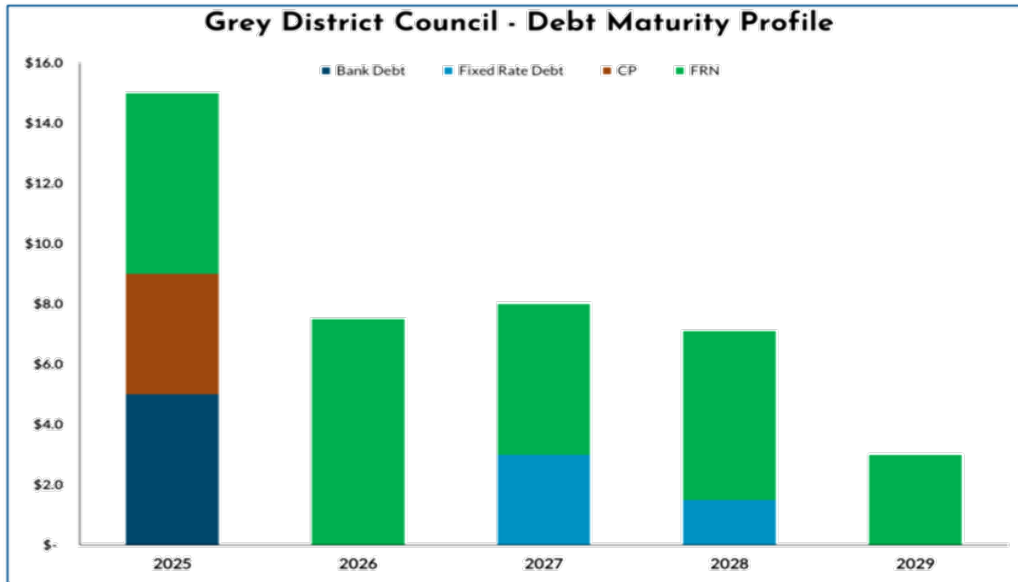
Over the December quarter, the Reserve Bank of New Zealand ("RBNZ") cut the Official Cash Rate ("OCR") by 50 basis points in October and a further 50 basis points in November to take it to 4.25%. In delivering the *Monetary Policy Statement* ("MPS") on 27 November, the RBNZ expressed confidence that inflation was near the midpoint of the 1.0-3.0% inflation target, while indicating that economic activity is subdued and that the economy has excess productive capacity. The shock September quarter Gross Domestic Product ("GDP") released in mid-December reinforced that the RBNZ has more work to do with the market now expecting a 50 basis point cut in February. The GDP result revealed a 1.0% decline in the September quarter (compared to market expectations of -0.4%) while the annual measure fell 1.5%, and included a downward revision to the June quarter fall to -1.2%, representing the weakest 6-month period since 1991 (excluding Covid periods).

Over the quarter, the upward movement in US long-term rates saw significant changes in the shape of the NZ yield curve, resulting in substantial changes in forward-start swap pricing. However, the typical correlation between NZ and US longer-term rates has temporarily broken down following the GDP numbers, which has helped deliver more attractive swap rates. Current market expectations are for 1.0% of cuts by August 2025 and an OCR low of 3.00% by October 2025.



Liquidity and Funding

3



Debt
\$35.6m
 External Council Drawn Debt

LGFA
\$35.6m
 Funds Drawn from LGFA

Liquidity = undrawn bank facility + term deposits + cash in bank
\$8.221m

Liquidity Ratio (must be >110%)
123.09%
 Definition: (Cash Reserves + Lines of Credit + Drawn Debt)/Drawn Debt

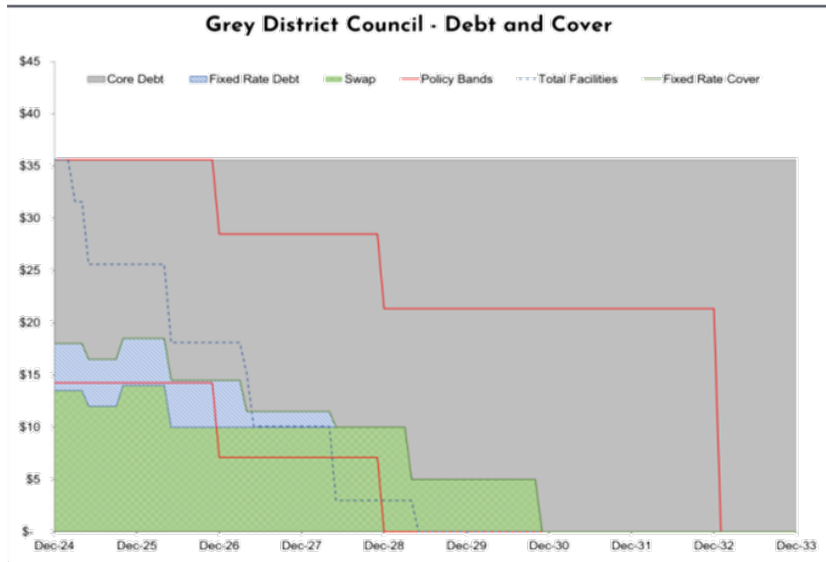
Cost of Funds as at 31 December 2024
4.54%

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

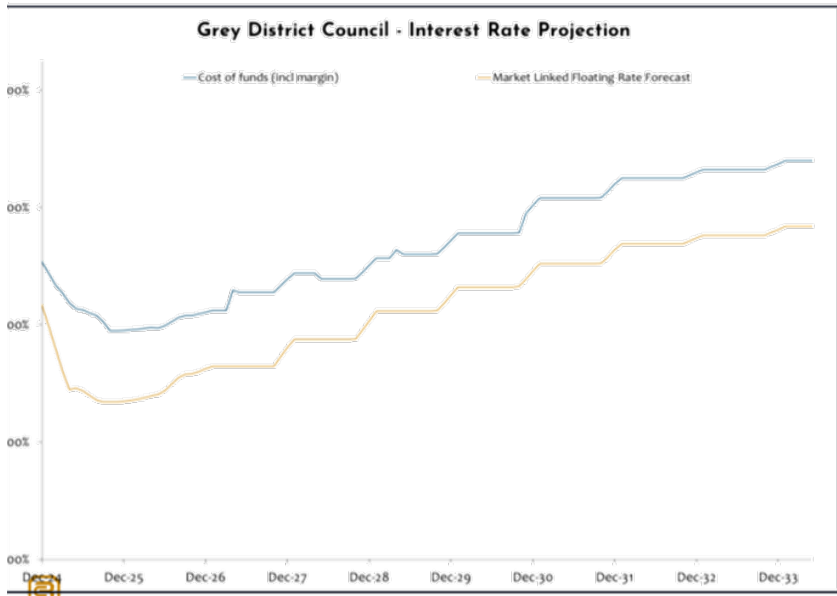


Interest Rate Risk Management

4



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	4.54%
Total Facilities In Place	\$35.6



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



Grey DC - Funding

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As of 31 December 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 31 December are as follows.

Instrument	Maturity	Yield	Margin	Amount
LGFA CP	17-Mar-25	4.49%	N/A	\$4,000,000
LGFA FRN	15-May-25	5.02%	0.57%	\$3,000,000
LGFA FRN	15-May-25	4.96%	0.51%	\$3,000,000
LGFA FRN	15-May-26	5.07%	0.62%	\$4,000,000
LGFA FRN	15-May-26	5.11%	0.66%	\$3,500,000
LGFA FRB	15-Apr-27	1.95%	N/A	\$3,000,000
LGFA FRN	15-May-27	5.16%	0.71%	\$5,000,000
LGFA FRN	15-May-28	5.13%	0.68%	\$3,600,000
LGFA FRB	15-May-28	5.11%	N/A	\$1,500,000
LGFA FRN	15-May-28	5.22%	0.77%	\$2,000,000
LGFA FRN	15-May-29	5.52%	1.07%	\$3,000,000
			Total	\$35,600,000



LGFA Borrowing Rates

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Listed below are the credit spreads and applicable interest rates as at 31 December 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%	4.37%	N/A
6 month CP	0.20%	4.07%	N/A
April 2025	0.61%	4.78%	4.54%
April 2026	0.61%	4.78%	4.54%
April 2027	0.78%	4.95%	4.02%
May 2028	0.92%	5.09%	4.07%
April 2029	1.05%	5.22%	4.24%
May 2030	1.15%	5.32%	4.36%
May 2031	1.22%	5.39%	4.53%
May-2032	1.25%	5.42%	4.68%
April 2033	1.29%	5.46%	4.79%
May 2035	1.32%	5.49%	4.96%
April 2037	1.38%	5.55%	5.13%



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3.4 HEALTH AND SAFETY REPORT

- File Number:** F/7
- Report Author:** People and Capabilities Advisor
- Report Authoriser:** Chief Executive
- Appendices:** 1. Health, Safety and 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: 01 October to 31 January 2025.
- 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 40 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.

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: 01 October 2024 to 31 January 2025

Safety Summary

Accident Management	- 40 reports received in the reporting period
Compliance (Safe365)	- Council's current Safety Index remains at 77% (previously 77%) - 0% increase in the reporting period - HSWA compliance goal is 88% (3 year plan 2024-27)
Risk Management	- 0 Job Safety Analysis developed - 0 JSA training sessions - 37 High Risk Hazards identified (no change)

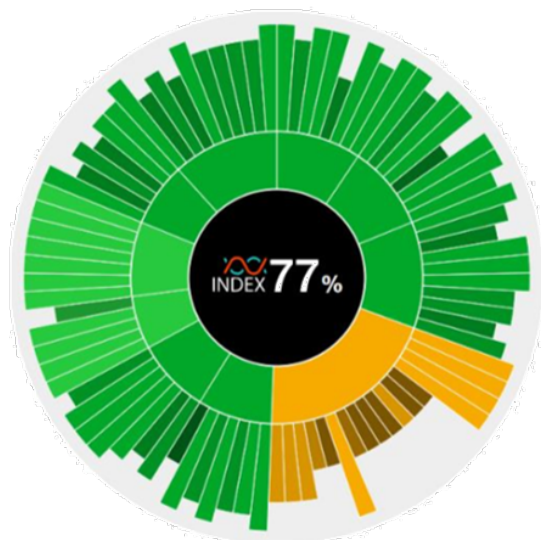
Accident Management

Risk Categories		Total Reports During Reporting Period	Total Reports requiring action	YTD reports (Rolling 12mths)
Contractor Reports		1		16
Heights / Confined Space		0		2
Plant & Equipment		6		22
Aggression		2		21
Illness & Exposure Incident		1		5
Injury Incident		10		27
Environmental Incident (WRC)		11		46
Slip, Trip and Fall		5		34
Vehicle Incidents		0		3
Stress and Wellbeing		1		12
Quality Incident		0		10
Near Miss / Close Call		2		25
Observations & Hazards		1		16
Totals		40	0	239

* 1 work related injury involving an employee. Action required - JSA's and review of procedures



Compliance (Safe365)



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

Employee Wellbeing Initiatives

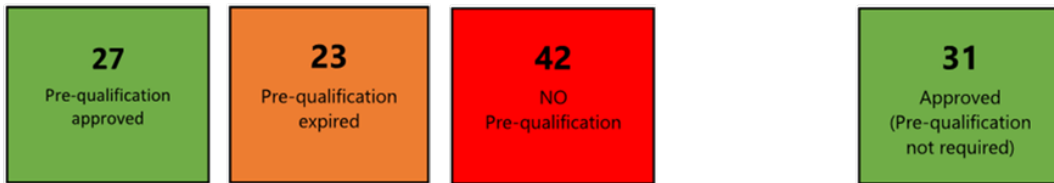
- **My Everyday Wellbeing Portal** – a portal providing information of all aspects of wellbeing and health, from fitness, food and information on relevant health issues such as diabetes. This includes monthly communications on information, plans and advice.
- **Workplace Support** –regularly visit all 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** – Councils offers a discounted group rate for our recreational centre.
- **Exercise Allowance** – Council offers 1 hour of exercise allowance per week.

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 all 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>)	0
Contractor site safety inspections 1 non-conformance with a failed reinforcing detail/pour without approval and 6 minor fails based on restoration	TBC
Contractor minor site inspections ie: Utilities connections and restorations	TBC
Contractor Reports (accidents and incidents)	1
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 7 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:

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
4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF RISK AND ASSURANCE SUB-COMMITTEE MEETING HELD ON 14 OCTOBER 2024	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)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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 2025-2034 RISK REGISTER	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

5 SUB-COMMITTEE RESUMES IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING