

RISK AND ASSURANCE COMMITTEE

Open Minutes

Meeting Date: Thursday 4 December 2025

Time: Open - 9.30 - 11:42am
Public Excluded - 11:42am - 12:20pm

Venue Large Exhibition Hall
War Memorial Centre
Marine Parade
Napier

Recording available on Council's YouTube channel

Present **Chair:** Bruce Robertson
Members: Raveen Jaduram (Independent) [online], Mayor McGrath, Deputy Mayor Crown, Councillors Lawrence [online] and Taylor

In Attendance Chief Executive (Louise Miller)
Executive Director Corporate & Commercial / Deputy Chief Executive (Jessica Ellerm) [online]
Head of Finance, Data & Digital (Caroline Thomson)
Executive Director Strategy & Urban Development (Rachel Bailey)
Executive Director Water Services (Russell Bond)
Executive Director Community Services (Thunes Cloete)
Financial Controller (Talia Foster)
Head of Commercial, Communications and Economic Development (Craig Kenny)
Building Contracts and Asset Manager (Andrew Clibborn)
Organisation Design and Development Manager (Alison Carnaby)
Head of Strategy and Investments (Stephen Moratti)
Risk Controls and Assurance Manager (Hans Pottstock-Vidal)
Internal Audit and Controls Advisor (Sandile Khenisa)

Quality and Business Improvement Analyst (Marat Basyrov)
Health and Safety Operations Manager (Andrew Wallace)
Audit New Zealand (Debbie Pereira) [online]

Also in attendance Councillors Brownlie, Chrystal, Morley, Price and Raihania [online]

Administration Governance Advisor (Jemma McDade)

RISK AND ASSURANCE COMMITTEE – Open Minutes

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ORDER OF BUSINESS

Karakia

The meeting opened with the Council karakia.

Apologies

Nil

WHANAUNGATANGA AND INDUCTION

At the meeting

The committee members were introduced. The Chair presented an introduction to the function of the Risk and Assurance Committee; defining risk, acceptable risk and assurance with the view that the Committee would review their focus at the end of 2026. Councillors are ultimately responsible for all risks, though the Committee focuses on strategic risk. Risk can create both uncertainty and opportunity. The responsibility of governance is to define direction, strategy and monitor risk. The role of management is to advise and ensure the risk management framework is in place. The Internal Audit Charter is how the Committee gain assurance that the systems within the organisation are working. Expectations for working together include: focusing on the issue, respect staff work and be solution focused.

Attachments

1 20251204 Induction first meeting presentation

The meeting adjourned at 10:15am and reconvened at 10:34am

Councillor Raihania left the meeting at 10:38am

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Nil

Announcements by the Chairperson

Nil

Announcements by the management

Nil

Confirmation of minutes

There are no minutes to confirm.

AGENDA ITEMS

1. INTERNAL AUDIT CHARTER

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	1887142
Reporting Officer/s & Unit:	Hans Pottstock-Vidal, Risk Controls & Risk Assurance Manager Caroline Thomson, Head of Finance, Data & Digital Sandile Khenisa, Internal Audit & Controls Advisor

1.0 Executive Summary - Te Kaupapa me te Whakarāpopotanga:

- 1.1 One of the workstreams the new Risk, Controls & Assurance team is going to be responsible for, is the Internal Audit function. The new team will review what is in place, revise outdated processes and controls, and implement a new internal audit plan, which will align with the risk management work programme, and with Council's reporting cycles.
- 1.2 This report will introduce the function to the Risk & Assurance Committee and will provide a first look at the Internal Audit Charter.

At the meeting

The officers presented the report noting their roles as the regional risk team.

Questions were answered clarifying:

- The priorities for the Internal Audit are set by looking at the whole organisation and bringing these together into priorities for the three year Internal Audit Plan. Engagement will be undertaken with key risk holders to inform the Plan. This will intersect with the External Audit.
- Independence and objectivity of the key Internal audit function of organisational improvement must be preserved.
- A workplan will be introduced, via the Chief Executive, to the Committee. Some fluidity is essential for adaptability to external factors. There will be a different focus each year that links to the strategic goals and objectives.

COMMITTEE RESOLUTION

Bruce Robertson / Deputy Mayor Crown

That The Risk and Assurance Committee:

- a. **Receive** the attached Internal Audit Charter (Doc Id 1887705).

Carried

2. RISK MANAGEMENT REPORT

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1886780
<i>Reporting Officer/s & Unit:</i>	Hans Pottstock-Vidal, Risk Controls & Risk Assurance Manager Caroline Thomson, Head of Finance, Data & Digital

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 To provide the Committee with a high-level update on Council's current High and Extreme Risk, key new Risk, Controls & Assurance initiatives, and the future of the function and its potential changes.

At the meeting

The officer presented the report noting the more systematic approach to reporting salient risk.

Questions were answered clarifying:

- Council's risk appetite, the term explaining how risks are prioritised and managed, may have changed. This would need to be determined by the new Council.
- The two extreme risks indicated in the report are to be reviewed with the risk owners.

COMMITTEE RESOLUTION

Councillor Taylor / Bruce Robertson

That The Risk and Assurance Committee:

- a. **Receives** the report titled Risk Management Report dated 04 December 2025.
- b. **Consider** the new risk management and reporting approach, and
- c. **Identify** the Committee's risk management training/workshop needs.

Carried

3. HEALTH & SAFETY QUARTERLY REPORT

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1886458
<i>Reporting Officer/s & Unit:</i>	Andrew Wallace, Health and Safety Operations Manager

1.0 Executive Summary - Te Kaupapa me te Whakarāpopotanga:

For the period Between 1st August 2025 to 31st October 2025.

There has been no change to the current risk profile for operational risks OR183 and OR328. Both risks now sit within the organisation's risk appetite following the completion of all treatment actions. While this reflects continued improvement in their management, ongoing monitoring will be required to maintain this position. Strategic Risk SR32 has also moved within appetite, with all associated treatment actions now 100% complete.

Continued work is still necessary to effectively manage these risks. Health & Safety, in collaboration with risk and control owners will continue to monitor performance and identify opportunities to strengthen existing controls, implementing improvements where appropriate.

At the meeting

The officer presented the report with the update that Strategic Risk 32 was now within appetite.

Questions were answered clarifying:

- The number of reported events per day over the last 90 days reflects the reality of the range of Council activity. An increase in reporting, due to increased Health and Safety awareness, could reflect the upward trend in reported events.
- Council officers responded to feedback to facilitate easier access to available Health checks.
- Council officers identify and respond to trends in the ACC statistics.
- The new Health and Safety reporting framework promotes ongoing review of critical hazards and investigations into breaches, as well as working with risk owners to review risk levels and escalate if necessary.
- Napier City Council (NCC) has a Drug and Alcohol Testing policy for staff.
- Target de-escalation training has been provided for key staff which may have led to a decrease in reports of aggressive behaviour by the public.
- Reporting through the MySafety system will continue to encourage the culture of health and safety.

COMMITTEE RESOLUTION

Deputy Mayor Crown / Councillor Taylor

That The Risk and Assurance Committee:

- a. **Receives** the report titled Health and Safety Update Report dated 21 November 2025.

Carried

4. AUDIT NZ MANAGEMENT REPORT FOR 2024/25

Type of Report: Operational

Legal Reference: N/A

Document ID: 1887566

Reporting Officer/s & Unit: Talia Foster, Financial Controller

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

1.1 Audit NZ completed their audit of Napier City Council on 9 October 2025. This report provides recommendations on matters identified, and is provided to the Risk and Assurance Committee for review. Ongoing reporting to the committee will ensure accountability across these actions.

At the meeting

The officer presented the report introducing Debbie Pereira as Council's external auditor and a director of Audit New Zealand. The three high level risks identified are being addressed and have been added to the action plan for future reporting. These recommendations are from the audit process and are ranked in order of priority.

Questions were answered clarifying:

- The level of reporting varies amongst Councils and will be aligned to each Council's priorities.
- Assurance was given that the risk associated with the fixed asset register is manageable.
- The Procurement and Strategic Contract Management Registers are on the work programme for the Enterprise Project Management Office (EPMO).

COMMITTEE RESOLUTION

Bruce Robertson / Councillor Taylor

That The Risk and Assurance Committee:

a. **Receives** the report titled Audit NZ Management Report for 2024/25 dated 04 December 2025.

Carried

5. SENSITIVE EXPENDITURE - MAYOR AND CHIEF EXECUTIVE

Type of Report: Enter Significance of Report

Legal Reference: Enter Legal Reference

Document ID: 1886681

Reporting Officer/s & Unit: Talia Foster, Financial Controller

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

1.1 The purpose of this report is to provide the information required for the Committee to review Sensitive Expenditure of the Mayor and Chief Executive for compliance with Council's Sensitive Expenditure Policy.

1.2 Sensitive Expenditure for the period is mostly within policy, with the exception of three low value transfers supplied by Corporate Cabs to the Chief Executive which were not approved following the one-up policy. These items are now presented to the committee for retrospective approval.

At the meeting

The officer presented the report noting the total expenditure in the Chief Executive Sensitive Expenditure report in the meeting agenda was incorrect. The correct total was \$4938.39. The one item outside policy related to taxis for the Local Government New Zealand Conference for which travel was approved. The transfers formed part of the expenditure so were correctly applied.

Questions were answered clarifying:

- The Pak n Save spend was for an event that the Mayor and Chief Executive both attended so the spend was divided equally.

COMMITTEE RESOLUTION

Bruce Robertson / Deputy Mayor Crown

That The Risk and Assurance Committee:

- a. **Receives** the report titled Sensitive Expenditure - Mayor and Chief Executive dated 04 December 2025 and reviews the transactions for compliance with Council's Sensitive Expenditure Policy.
- b. **Approves** the transaction for the Chief Executive which is outside of policy retrospectively.

Carried

Minor matters

Nil

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION

Bruce Robertson / Councillor Taylor

That the public be excluded from the following parts of the proceedings of this meeting, namely:

1. Chief Executive Verbal Update
2. Audit New Zealand Verbal Update

Carried

The general subject of each matter to be considered while the public was excluded, the reasons 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 were as follows:

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.	Plain English reason for passing this resolution in relation to each matter.
1. Chief Executive Verbal Update	7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities	48(1)(a) That the public conduct of the whole or 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: (i) Where the local authority is named or specified in Schedule 1 of this Act, under section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.	Commercial activity

2. Audit New Zealand Verbal Update	7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities	48(1)(a) That the public conduct of the whole or 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: (i) Where the local authority is named or specified in Schedule 1 of this Act, under section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.	Commercial activity
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Public Excluded Text

Council has considered the public interest in the information above and balanced those interests with the reason(s) for withholding this information. This ensures Council has met the requirements for withholding information under section 7(2) of the Local Government and Official Information and Meetings Act 1987.

The meeting closed moved into Public Excluded at 11:42am

Approved and adopted as a true and accurate record of the meeting.

Chairperson

Date of approval