



**The Meeting of the  
Audit and Risk Committee will be  
held on Tuesday 7 December 2021  
in the Council Chamber  
commencing at 1.00pm**

**AGENDA**

## **AUDIT AND RISK COMMITTEE**

His Worship the Mayor - Malcolm Campbell

Councillor C J Ion

Councillor A Rangihika

Councillor F K N Tunui

Councillor D Sparks

Philip Jones – Consultant - P J Associates (Chair)

**Kawerau District Council Minutes of an  
Audit and Risk Committee held on 5 October 2021  
In the Council Chambers commencing at 1.00pm**

**Present:** Phillip Jones – P J Associates (Chair)  
His Worship the Mayor – M J Campbell  
Councillor F K N Tunui  
Councillor C J Ion  
Councillor D Sparks  
Councillor A Rangihika

**In Attendance:** Manager, Finance & Corporate Services (P Christophers)  
Manager, Operations & Services (H van der Merwe)  
Health & Safety Officer (P Snook)  
Administration Officer (T Barnett)

**Apologies**

No apologies

**Declarations of Conflict of Interest**

No conflicts of interest were received.

**1 Occupational Health and Safety Management System Status (Health and Safety Officer) (509500)**

The Health and Safety Officer provided an overview of his report.

**Resolved** **Councillor Rangihika / Deputy Mayor Tunui**

*That the report "Occupational Health and Safety Management System Status" is received.*

**2 Treasury Report to 31 August 2021 (Group Manager, Finance and Corporate Services) (110551)**

The Committee reviewed the Treasury Report to 31 August 2021.

**Resolved** **His Worship the Mayor / Councillor Rangihika**

*That the report "Treasury report to 31 August 2021" be received.*

**3 Revised 2020/21 Annual Report Timetable (Group Manager, Finance and Corporate Services) (110400)**

The Committee reviewed the revised timetable for the preparation of the Annual Report.

**Resolved**

**Councillor Ion / Chair Jones**

*That the report "Revised 2020/21 Annual Report Timetable" is received.*

**4 Audit Management Report for the 2021 – 2031 Long Term Plan (Group Manager, Finance and Corporate Services) (201000)**

The Committee reviewed the Audit Management Report for the 2021 – 2031 Long Term Plan.

**Resolved**

**His Worship the Mayor / Deputy Mayor Tunui**

*That the report "Audit Management Report for the 2021 – 2031 Long Term Plan" be received.*

**5 Residential Developments (Central Cove, Te Arki Place and Porritt Glade) – Progress and Risk Analysis Update (Group Manager, Finance and Corporate Services) (206700)**

The Committee reviewed the Residential Developments (Central Cove, Te Arika Place and Porritt Glade) – Progress and Risk Analysis update.

**Resolved**

**His Worship the Mayor / Councillor Rangihika**

*That the report "Residential Developments (Central Cove, Te Arika Place and Porritt Glade) – Progress and Risk Analysis Update" be received.*

*Meeting closed 1.55pm*

P Jones

**Chairperson**

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**Meeting:** Audit and Risk Committee

**Meeting Date:** 07 December 2021

**Subject:** Occupational Health and Safety Management System Status

**File No:** 509500

## 1 **Executive Summary**

<b>Kawerau District Council's Top 5 Hazards identified by workers</b>				
<b>Hazard</b>	<b>Raw Risk Score</b>	<b>Residual Risk Score</b>	<b>Status</b>	<b>Comment</b>
<b>Public/People/Customers</b>	15 High	10 Moderate	<b>Completed</b>	Target is: 20 Control Measures Completed
				Control Measures
				Completed 20
				Underway 0
<b>Stress</b>	15 High	10 Moderate	<b>Completed</b>	Target is: 25 Control Measures Completed
				Control Measures
				Completed 25
				Underway 0
<b>Slips, Trips and Falls</b>	15 High	10 Moderate	<b>Completed</b>	Target is: 24 Control Measures Completed
				Control Measures
				Completed 24
				Underway 0
<b>Lone Working</b>	15 High	10 Moderate	<b>Underway</b>	Target is: 22 Control Measures Completed
				Control Measures
				Completed 21
				Underway 1
<b>Manual Handling</b>	15 High	12 Moderate	<b>Completed</b>	Target is: 27 Control Measures Completed
				Control Measures
				Completed 27
				Underway 0
				Not Started 0

Above is the top five hazards table based on the results of the staff survey in October 2020.

## Prioritisation of Tasks

The table below sets out steps and the priority level of tasks.

Critical Element	Priority	Actions Required	Started	By Whom	Target for Completion	Current Status
<b>Covid- 19 Pandemic</b>	High	Remain ready and prepared to respond to Managing Risks to Staff/Community Health based on Govt Guidelines Maintain preparedness to react to COVID -19 Alert level changes	23/01/2020	HSO	Unknown - Ongoing	Underway
<b>Hazard, Identification, Assessment and management</b>	High	Create and manage a register aligned with legal/ organisational requirements, current knowledge and thinking. All registered hazards to achieve completed status. Monitor and review hazards.	June 2016	HSO and Work Groups and Managers	Unknown - Ongoing	Underway
<b>Contractor/Contracted Worker Health and Safety Management</b>	High	SHE prequalification complete. Contractor induction document in place. Contractor Monitoring KPI in place. Contractor Post Contract review In place.	June 2016	HSO	June 2019	Complete
<b>Worker Participation in Health and Safety Management</b>	High	Health and Safety Representative Job Description complete.	June 2016	HSO	June 2019	Complete
<b>Employer Commitment to Safety Management Practices</b>	Medium	Review H&S Policies. Identify and implement a performance based management system.	June 2016	HSO	Ongoing	Underway
<b>Emergency Planning and Readiness</b>	Medium	Monitor and review plans.	June 2016	HSO	Ongoing	Underway

Critical Element	Priority	Actions Required	Started	By Whom	Target for Completion	Current Status
<b>Planning, Review and evaluation</b>	Low	Monitor and review	June 2016	HSO	Ongoing	Underway
<b>Information, Training and Supervision</b>	Low	Monitor and review	June 2016	HSO	Ongoing	Underway
<b>Near Miss, Incident and Injury Reporting, Recording and Investigation</b>	Low	Monitor and review	June 2016	HSO	Ongoing	Underway

Data in this report aligns with Council's Financial Year period to 31 October 2021.

The COVID – 19 pandemic response is at Alert Level 2 and the organisation is operating to the current Government requirements.

The Drug and Alcohol Policy review is underway.

Hazard management and reviews continue with workgroups and managers.

There have been no notifications to WorkSafe New Zealand during this report period.

Investment in appropriate health and safety training for staff has been limited and will be rescheduled for the New Year.

Some workers have completed face-to-face training and some online training.

Coordinated Incident Management Systems 4 (CIMS 4) training was completed over 2 days face to face for Council's Civil Defence Staff to NZQA unit standards.

Chemical training was completed face-to-face for Pool Lifeguards, Parks and Reserves and Engineering staff.

All face to face training was completed in accordance with COVID – 19 requirements.

Health and Safety Committee (HSC) meetings continue.

Skin cancer check vouchers have been provided to staff to attend a local clinic at Alert Level 2.

Audiometry (hearing) monitoring has been scheduled for November for relevant staff.

Spirometry (Lung function) will not take place due to COVID – 19 restrictions.

During October 2 contractors were monitored for health and safety management at their worksites.

Event data results will identify as lower than usual due to the Swimming Pool temporary closure and the effects of COVID – 19 Lockdown.

## **2 Background**

This report provides a general overview of the current status of the Occupational Health & Safety Management System (OHSMS).

Source data is identified and accessed from VAULT/Damstra Health and Safety software.

## **3 Lead and Lag Indicators**

Lead Indicators identify activities aimed at preventing accidents and maintaining health and safety like induction, training, hazard management, monitoring and prompt/thorough event investigation.

Near Miss events are considered leading indicators because workers demonstrate awareness and understanding that a near miss represents the potential for harm, loss or damage should there be a repetition of the same or similar event.

Near Miss events when reviewed will identify learning and continuous improvement opportunities potentially adding to the preventative approach in Health and Safety management.

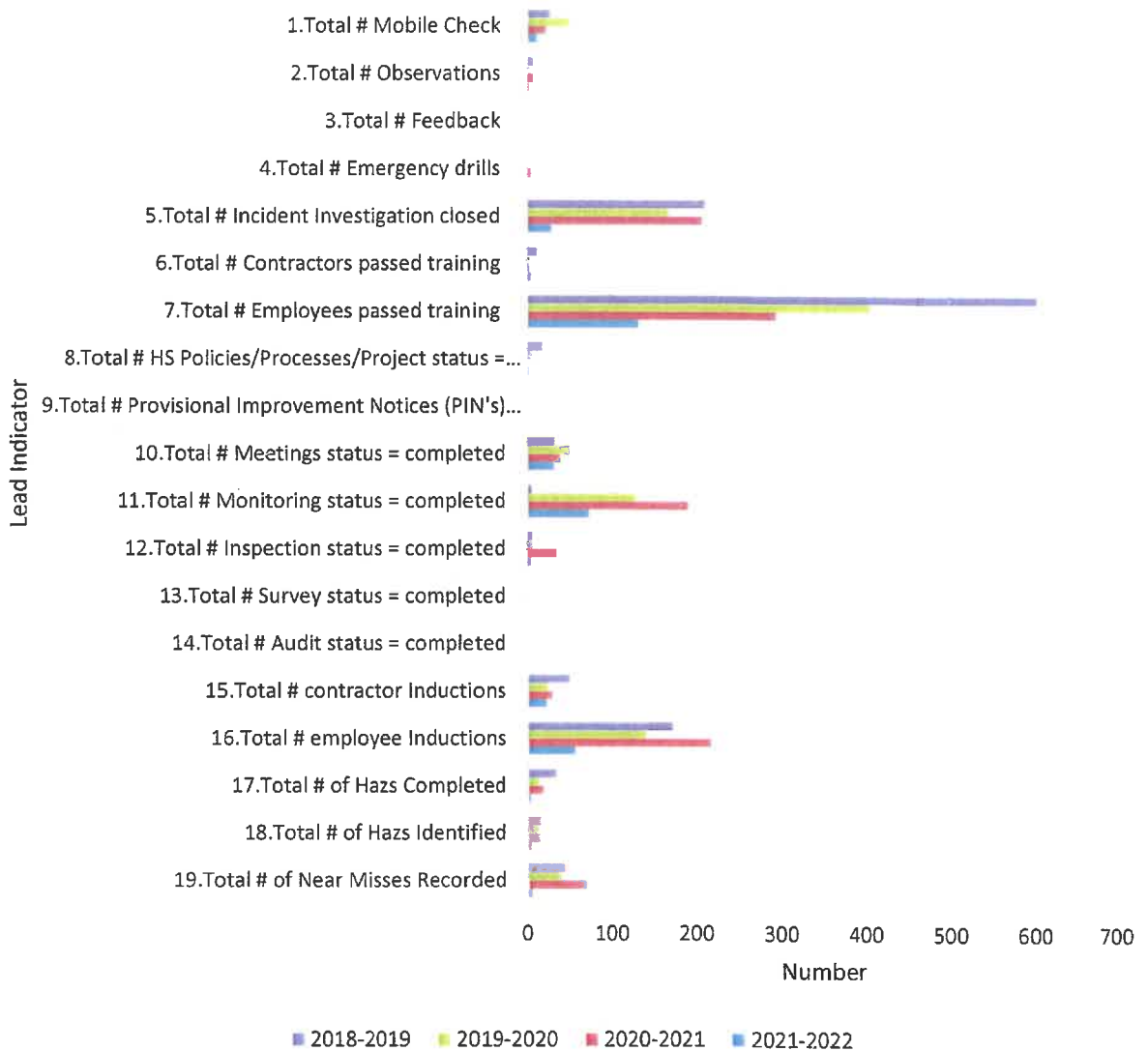
Lag Indicators identify data that has resulted from a work related injury or illness.

First aid events, medical events and lost working time are identified.

The bar graphs below identify lead and lag indicators by financial year.



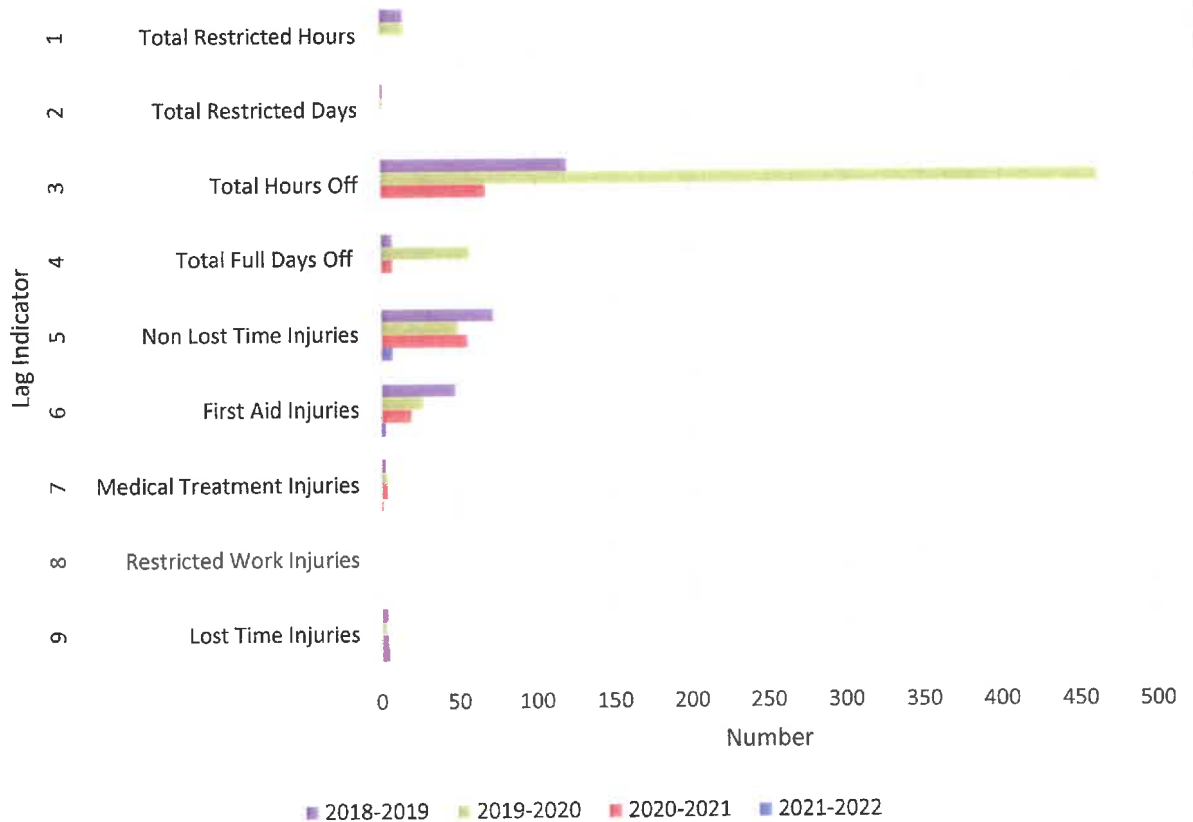
## Lead Indicators by Financial Year



Key for Lead Indicators	
1	Audit/Check Template Mobile Application e.g. Tablet Device used for – Contractor Audit, Site Audits or Workstation Assessment (Completed) Specific Contractor Audit data is identified in a bar graph near the end of this report.
2	Positive Observation Records e.g. Comments by staff - <i>Workers observed wearing appropriate PPE or Traffic Management site well managed...</i>
3	Positive comments to H & S team e.g. New mower much quieter than older model or new agrichemical much safer to use than the previous one...
4	Number of Emergency Drills – includes false alarms and evacuations.
5	Event Investigations – Designated Investigators have completed and closed the investigation into an event e.g. accident, near miss, incident, illness and pain or discomfort etc.
6	Contractors that have undergone training arranged by KDC.
7	Number of workers completing Health and Safety Related Training
8	Polices, Processes newly implemented or that have been reviewed
9	A record of PIN's (Provisional Improvement Notices) – where a specific health and safety improvement is legally required within a reasonable timeframe.
10	Health and Safety Meetings e.g. Committee meetings, toolbox, hazard reviews
11	Monitoring e.g. Panic Duress alarm test, Smartrak testing, Individuals or teams monitoring an issue – also records of Officer Due Diligence duties
12	Site Inspections – formal or informal e.g. Management by Walking About
13	Staff Health and Safety Surveys e.g. Safe Plus+ or Ask your Team
14	Audit e.g. Audit by internal or external auditors
15	Contractors inducted e.g. General and/or Site Specific Safety Inductions

16	Workers inducted e.g. General - and Site Specific Safety Inductions
17	Total number of Hazards/Risks completed all types e.g. site, task, plant, biological, environmental, psycho - social, ergonomic, substance, asbestos and physical
18	Total number of new Hazards/Risks identified all types (not previously listed)
19	Near Misses Recorded - To Identify potential weaknesses in the safety management system enabling learning opportunities to implement improvements to eliminate or further minimise harm, damage or loss in the future regarding the same or similar events.

### Lag Indicators by Financial Year



Key for Lag Indicators	
1	Restricted hours worked as part of a return to work rehabilitation plan
2	Restricted days worked as part of a return to work rehabilitation plan
3	Number of hours lost resulting from a workplace injury event
4	Number of full days lost resulting from a workplace injury event
5	Injury events resulting in no work time lost
6	Injury events resulting in a First Aid Response
7	Injury events resulting in medical treatment e.g. doctor or practice nurse
8	Injury events resulting in a worker doing restricted or alternative work (Rehabilitation)
9	Number of injuries resulting lost working time

The 2019 - 2020 total hours and days off results identify as higher than other years because of one notifiable worker accident.

Recovery/rehabilitation time was needed to ensure a healthy, safe and sustainable return to work identified in the data.

#### **4 Employer Commitment to Safety Management Practices**

Commitment to health and safety management in the workplace is recorded in VAULT/Damstra.

Policies are reviewed by the Health and Safety Committee (HSC), Health and Safety Representatives (HSR's) and their workgroups.

The leadership team complete a final review and approval.

Policies are reviewed at least triennially, unless an opportunity for improvement is identified earlier.

The Health and Safety Policy remains on an annual review cycle.

#### **Organisational Policies/Documents**

The table below identifies status of Policy/Document reviews.

<b>Organisational Policy/Document</b>	<b>Status</b>
<b>Health and Safety Policy</b>	Review 01/12/2021 HSC
<b>Rehabilitation Policy</b>	Review 01/03/2022 HSC
<b>Drug and Alcohol Policy</b>	Review 01/08/2021 HSC (Underway)
<b>Cash Handling Policy</b>	Review 01/04/2024
<b>CCTV Policy</b>	Develop/Review MFCS (Underway)
<b>Worker Engagement, Participation and Representation Agreement</b>	Review 30/11/2022 HSC
<b>HSR Induction Manual</b>	Develop/Review 29/08/2021 HSO (Underway)
<b>HSR Position Description</b>	Review 01/04/2022 HSC
<b>Safe Driving Policy</b>	Review 06/04/2024
<b>Staff Induction Safety Policies and Manual</b>	Review 09/09/2022 HSC
<b>Trespass Policy &amp; Processes</b>	Review 29/10/2022 HSC
<b>Visitor Management Policy</b>	Review 01/02/2022 HSC
<b>Working Alone Policy</b>	Review 05/06/2022 HSC
<b>Bomb threat, Lock down &amp; Suspicious mail policy</b>	Review 18/06/2021 HSC (Underway)
<b>VDU Management Policy</b>	Review 03/09/2024
<b>Bullying and Harassment Policy</b>	Review 01/10/2024
<b>Workplace Stress &amp; Fatigue Policy</b>	Review 30/08/2022
<b>Retirement Planning Policy</b>	Review 01/09/2024

#### **5 Planning, Review and Evaluation**

VAULT/Damstra provides source data for review and evaluation of the Occupational Health and Safety Management System (OHSMS).

VAULT/Damstra reports are scheduled electronically to managers.

#### **6 Hazard Identification, Assessment and Management**

Work associated with managing the top 5 hazards is outlined below:

1. Public/People
2. Stress
3. Slips, Trips and Falls
4. Lone Working
5. Manual Handling

### 1 Public/People

Customer Conflict Awareness training will be completed in 2022 for new staff along with refresher training for existing staff.

A guideline for staff dealing with telephone abuse is under development.

The Communications team delivered a “be kind to staff” campaign via media.

Public service counter staff and customers found it difficult to communicate through the Perspex safety screens while maintaining physical distancing requirements.

Microphones and speakers have been installed at customer service counters enabling improved communications.

The Risk Assessment for Public/People is complete.

It will be tabled at the HSC December meeting for review.

### 2 Stress

KDC maintains a policy for the management of Workplace Stress and Fatigue and the hazard is recorded in the register.

Bullying and Harassment and Mental Health Awareness training will be rescheduled for new and existing staff refreshers in 2022.

The Bullying and Harassment Policy has been reviewed and approved.

The organisation is aware of the potential negative mental health effects of the COVID – 19 pandemic and continues to encourage staff to utilise the organisation’s free and confidential support services.

### 3 Slips, Trips and Falls

The risk of death, injury, damage or loss from slipping tripping or falling is recorded with safety controls on the hazard register.

### 4 Lone Working

KDC maintains a policy and process for Lone Working Management and this is recorded in the KDC Hazard register.

Where practicable – managers aim to eliminate lone working by staff not working alone, especially in remote or isolated areas.

Lone working technology (Personal duress alarms) are tested regularly for functionality and to allow staff to practice their acknowledgement of an alert and their response routine.

## 5 Manual Handling

The risks associated with manual handling and safety controls is recorded on the hazard register.

Training is ongoing.

Early pain, discomfort and injury reporting is encouraged.

### Top 5 Hazards as per risk assessment and staff perception

The staff evaluation method is based on personal perception, knowledge and experience, which is valued by the organisation.

The organisation engages with the workforce to understand staff perceptions of danger.

Learning from this has resulted in commitment to invest in resources like site improvements, technology, equipment, training, policies and processes.

Learning and opportunities to improve are ongoing.

## Health Monitoring

The table below identifies health assessments, monitoring and vaccinations for workers.

Monitoring/Vaccination	Status
<b>Audiometry (Hearing monitoring)</b>	Completed 2021 to be scheduled for 2022
<b>Immunisations/vaccinations (Tetanus, Hep A, B &amp; Diphtheria)</b>	Ongoing/Underway
<b>Work station assessments</b>	Ongoing/Underway
<b>Spirometry (Lung Function Monitoring)</b>	Completed 2020 but on hold 2021 due to COVID - 19
<b>Full Asbestos Medical (Workers doing Asbestos Related/Removal Work)</b>	Completed 2020 but on hold 2021 due to COVID - 19
<b>Pre-Employment-Medicals (PEM's)</b>	Ongoing/Underway
<b>Face Fit Assessment &amp; Monitoring (RPE)</b>	Ongoing/Underway
<b>Drug &amp; Alcohol Pre-Employment, Random, Reasonable Cause and Post Event testing</b>	Ongoing/Underway
<b>Eye Health and Vision Check</b>	Ongoing/Underway for staff spending over 50% of their working day on a Visual Display Unit (VDU)

## Health & Wellbeing

The table below identifies opportunities for workers to find support and consider offers that could help maintain - or improve their health and wellbeing – including mental wellbeing.

Opportunity on Offer to Workers	Status
<b>Employee Assistance Programme (EAP Services)</b>	Available 24/7
<b>Employee Counselling Provider (VITAE)</b>	Available 24/7
<b>COVID – 19 Immunisation</b>	KDC fully supports vaccination of staff
<b>Annual Flu vaccine</b>	Completed for 2021 to be scheduled for 2022
<b>Health Assessment (Heart, BP, Cholesterol, Glucose, BMI &amp; Waist Circumference etc.)</b>	Completed 2021, to be scheduled for 2022
<b>Skin Checks (Melanoma/Skin Cancer)</b>	Underway for 2021
<b>Yoga Class</b>	Available weekly
<b>Zumba Dance Class</b>	Available weekly
<b>Domestic Violence Victims Protection Standard Operating Procedure</b>	Available on the KDC Intranet/SharePoint

## Drug & Alcohol Policy

Tests identified in the policy are:

- Pre-Employment
- Random (5% of staff per month)
- Reasonable Grounds
- Post Incident testing

## Workplace Monitoring

Methane and Hydrogen Sulphide gas levels are continually monitored at designated premises.

## Information, Training and Supervision

Investment in Health and Safety training remains relevant to the organisation's needs.

Some training has continued but most training has been put on hold due to COVID – 19 and will be rescheduled for 2022.

Training that went ahead was Chemical, Hazard Identification and Risk Assessment, and Coordinated Incident Management Systems 4 (CIMS 4) for Council Civil Defence staff.

Some courses are being completed on line.

Training providers are making this way of learning more readily available, user friendly and easy to access.

This training still maintains accreditation to NZQA unit standards.

## **7 Incident and Injury Reporting, Recording and Investigation**

### Notifiable Events to WorkSafe NZ

(The death of a person, a notifiable injury, illness - or a notifiable incident that must be reported to WorkSafe NZ).

No events identified for this report.

### Event Statistics

Events recorded include Accidents, Incidents, Near Misses and Illness.

- Total 230 averaging 19 events per month for financial year 2018 - 2019
- Total 155 averaging 13 events per month for financial year 2019 - 2020
- Total 206 averaging 17 events per month for financial year 2020 - 2021
- Total 29 averaging 7 events per month for financial year 2021 - 2022  
(As at the end of Oct 2021)

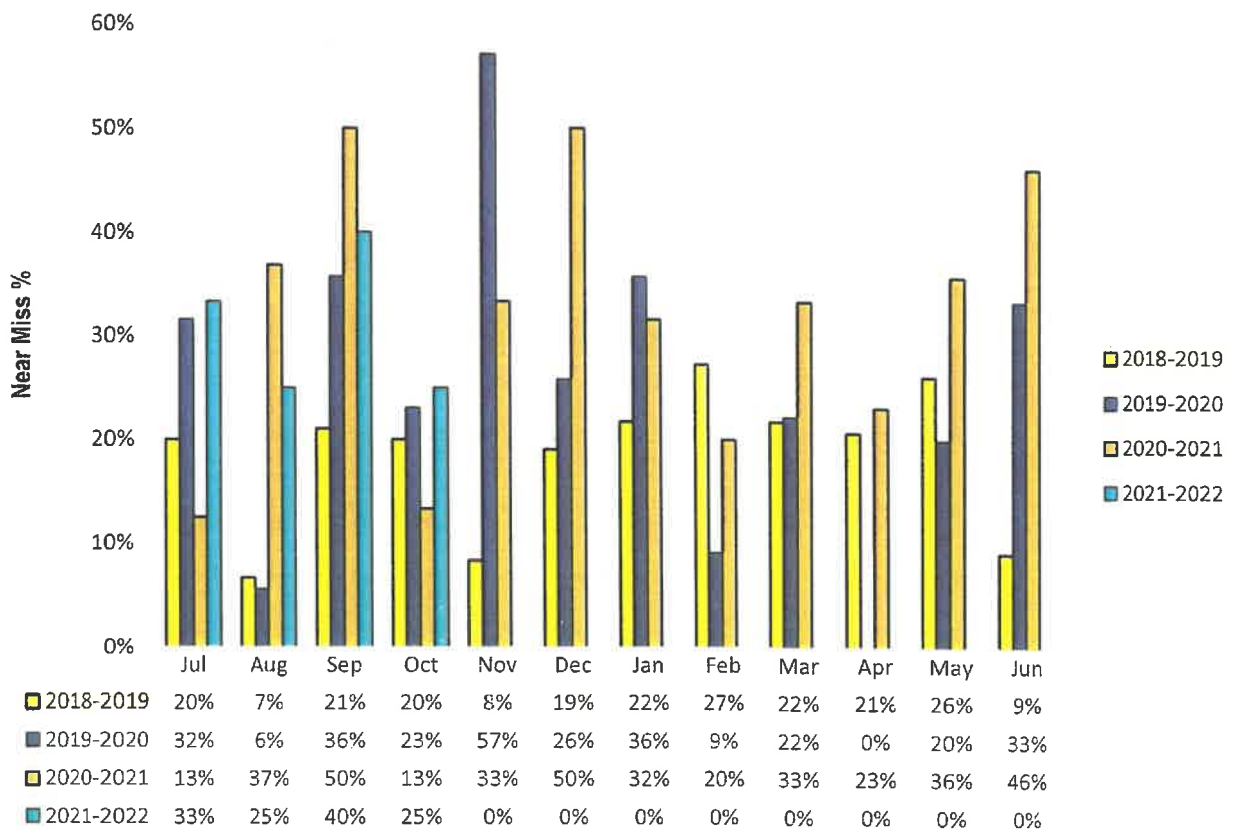
Event Statistics are lower than usual and likely due to COVID – 19 and the swimming pools being temporarily closed.

Near Miss events

The organisation values near miss events being reported understanding the learning potential and opportunity to improve health and safety preventative control measures.

- Near miss events contributed to 18% of total events for financial year 2018-2019
- Near miss events contributed to 25% of total events for financial year 2019- 2020
- Near miss events contributed to 32% of total events for financial year 2020-2021
- Near miss events contributed to 31% of total events for financial year 2021-2022

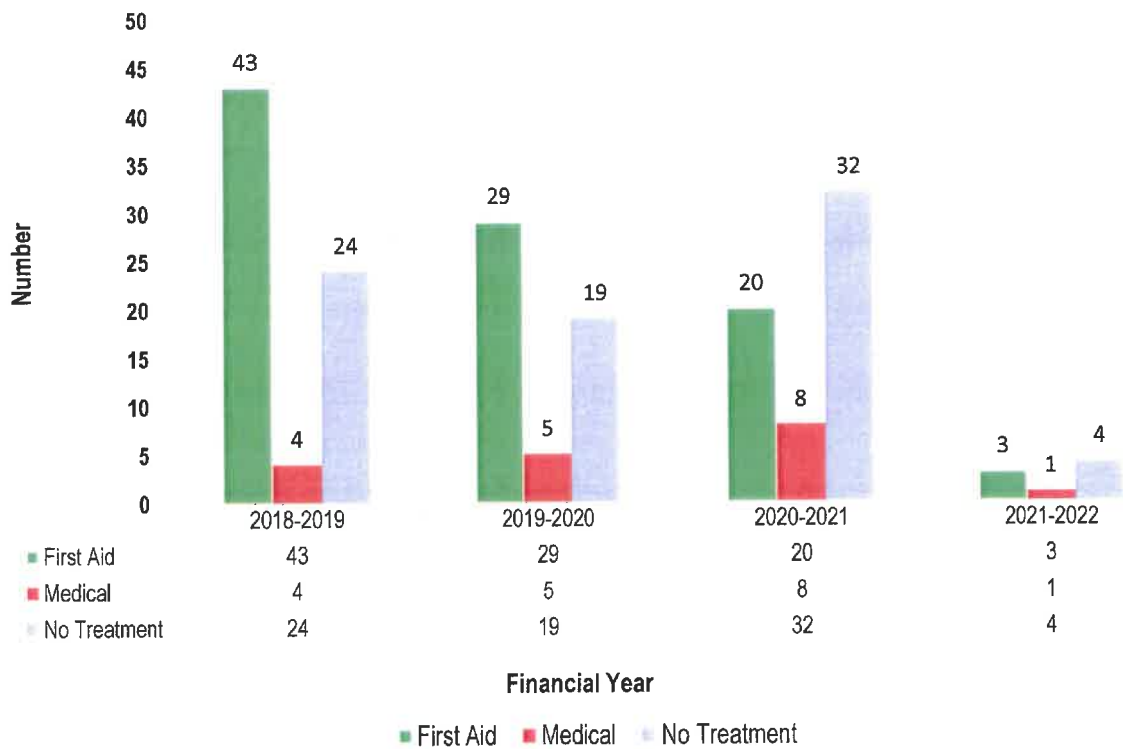
**Near Miss % of Events by Financial Year**



The column combination graph above identifies the financial year focusing on the percentage of near misses recorded.

## Accidents

### Injury Treatment Required by Financial Year



The column combination graph above identifies injury/illness treatment outcomes by financial year.

All sites and all person types are included in the data.

- First Aid means attention given to reduce the effects of the injury or illness.
- Medical means professional medical attention has been required to manage the effects of an injury/illness e.g. General Practitioner, Registered Nurse, Paramedic or Physiotherapist.
- No treatment means the injury did not require first aid attention - or First Aid assistance was refused.

### Types of Person involved in Events

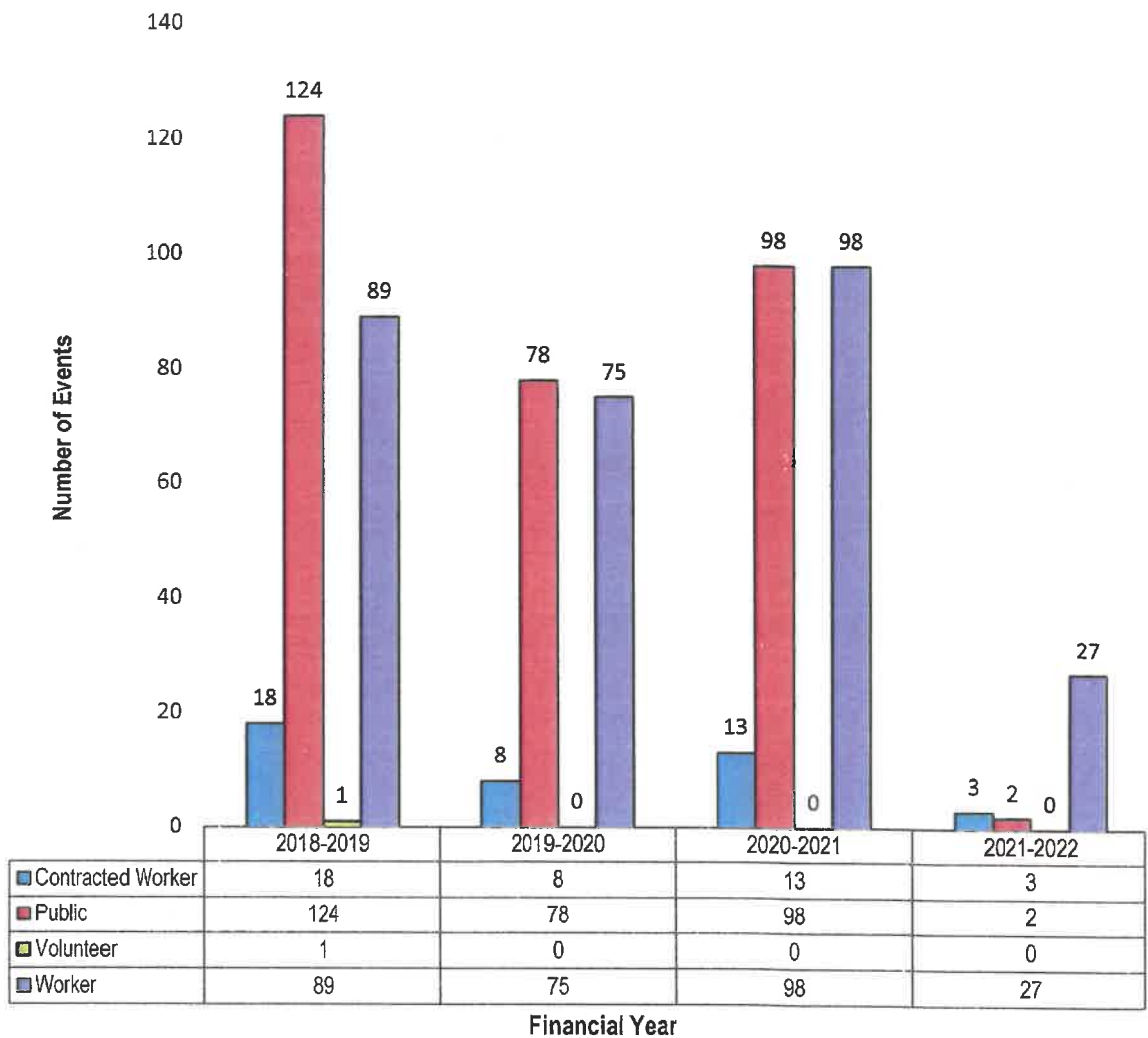
The organisation records the type of person involved in events.

The public and workers usually identify similar results.

Most of the public events occur at the Swimming pool site but this has been closed for several weeks impacting event data results for this financial year.



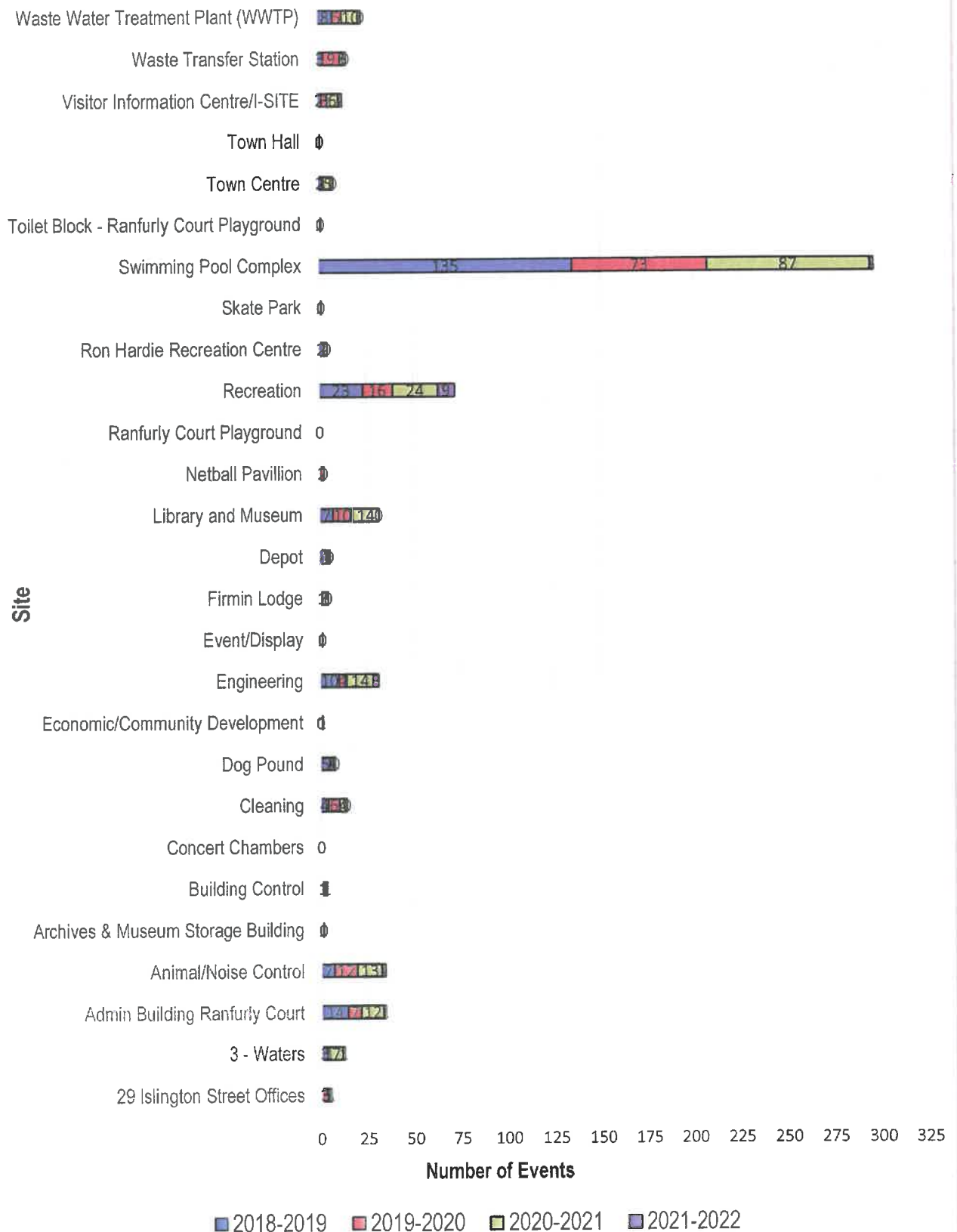
## Types of Persons Involved in Events by Financial Year



The column combination graph above identifies the type of person involved in all events for the financial year.

- Contracted worker means a contractor or sub-contractor engaged by Council
- Public means the general public including customers or visitors
- Volunteer means a Volunteer worker engaged to work for Council unpaid
- Worker means any person employed by Council

### Site Event Records by Financial Year



The stacked bar chart above identifies the sites where an event has been reported and recorded for financial years 2018-2019, 2019-2020, 2020-2021 and 2021-2022.

There is a significant reduction in event reports from the swimming pool site because it is temporarily closed.

## **8 Employee Participation in Health and Safety Management**

The Health and Safety Committee (HSC) continues to meet monthly. Health and Safety is an agenda point for departmental business improvement meetings, management meetings and Leadership team meetings.

HSR's are leading toolbox meetings with Parks and Reserves team members.

2 newly elected HSR's are scheduled to complete stage 1 training and assessment in January 2022.

## **9 Emergency Planning and Readiness**

Certain Council premises are required to have Building Warrant of Fitness Certificates (BWoF) e.g. District Office/Library and Firmin Lodge because they are identified as having specified systems.

Specified Systems require scheduled inspection and maintenance for health and safety reasons annually.

Specified systems can include fire warning (alarm), sprinkler systems, emergency lighting, riser mains, automatic doors, mechanical ventilation and lifts etc.

Compliance checks for specified systems are done by an Independent Qualified Person (IQP) namely Cove Kinloch.

A Building not requiring a BWoF has emergency plans, emergency exits and assembly points maintained by Operations and Services.

First Aid equipment, training and provision is maintained.

### Duress Alarms and Emergency Lock Down

All Council counter services have duress alarms and emergency lockdown buttons which are tested regularly and records of testing maintained in VAULT.

## **10 Protection of Employees from On-site Work undertaken by Contractors and Sub-contractors**

### Contractor Monitoring Key Performance Indicator (KPI)

Contractors can be subject to site audits by the HSO and the relevant Kawerau District Council (KDC) contract manager.

Contractor auditing measurement uses a Key Performance Indicator (KPI) with a target set at one Audit per month – except during holiday periods when contractor activity is low.

Individual or combined factors influence the KPI target being met - like; unplanned or reactive work taking priority, leave, availability of a variety of contractors, suitable projects to audit, pandemic alert level restrictions and weather.

The KPI target was 10 for the financial year 2020 – 2021.

9 audits were completed for that year.

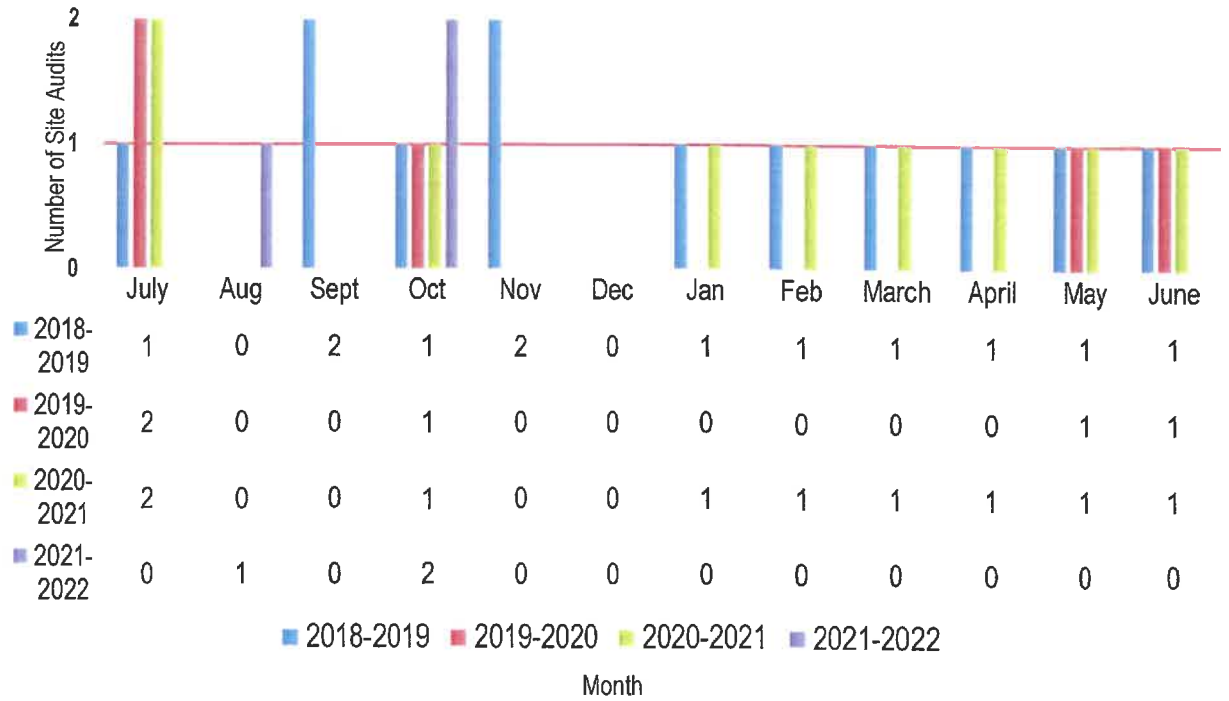
2 sites were audited during this report period with no issues identified.

KPI is 1 below target for this report period.

Key Performance Indicator (KPI) Contractor Health and Safety Monthly Monitoring Financial Year 1 July 2020 – 30 June 2021				
Month	Monthly Site Inspections Required	Monthly Site Inspections Completed	Monthly KPI Achieved	Comment
July 2021	1	0	No	-
Aug 2021	1	1	Yes	<i>Poplar Tree removal – Tarawera High School</i>
Sept 2021	1	0	No	-
Oct 2021	1	2	Yes	<ul style="list-style-type: none"> <li>• <i>Building Contractors – works stopped - awaiting Building Inspection 21/10/21 cancelled</i></li> <li>• <i>Water Pipe Contractors 21/10/21 completed</i></li> <li>• <i>Carpark surface Repairs 26/10/21 completed</i></li> </ul>
Nov 2021	1	-	-	
Dec 2021	0	-	-	<i>Contractor Activity Low</i>
Jan 2022	0	-	-	<i>Contractor Activity Low</i>
Feb 2022	1	-	-	
March 2022	1	-	-	
April 2022	1	-	-	
May 2022	1	-	-	
June 2022	1	-	-	
<b>Totals</b>	<b>10</b>	<b>3</b>		-
<b>KPI: 1 Monthly Site Inspection</b>			<b>Assigned to: Health &amp; Safety Officer (HSO)</b>	
<b>Review: as a minimum - Annually</b> Next Review Date 31/09/22			<b>Review team: Chief Executive Officer (CEO), Manager Economic &amp; Community Development (MECD) &amp; HSO.</b>	
<b>Review Objectives: Identify opportunities for improvement ensuring KPI remains Specific, Measurable, Achievable, Realistic and Time bound.</b>			<b>Method of Review: Team Meeting to review objectives identify and implement opportunities for improvement.</b>	

The combination chart below identifies the number of contractor site audits for the financial years 2018-2019, 2019-2020, 2020-2021 and 2021-2022.

## Contractor Monitoring by Financial Year



### 11 Conclusion

The Occupational Health and Safety Management system is in place and continues to be monitored, developed and improved.

### 12 RECOMMENDATION

That the report 'Occupational Health and Safety Management System Status' be received.

**Paul Snook, ProfNZISM. MIIRSM. HASANZ**  
**Health & Safety Officer**

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**Meeting:** Audit and Risk Committee

**Meeting Date:** 7 December 2021

**Subject:** Treasury Report to 31 October 2021

**File No:** 110551

## 1 **Purpose**

The purpose of this report is to inform members of the funds held by Council as at 31 October 2021 and provide explanations for any significant variances from the previous year.

## 2 **Background**

This report also went to the Regulatory and Services Committee, and shows the funds currently held and the banks where those funds are invested.

All investments were made in accordance with Council's Investment Policy.

The investment policy was amended (during 2020/21) to increase the limit to 50% that can be invested with a single institution, and also a limit of \$1.5 million has been introduced.

The exception is Council's principal bank where funds can exceed 50%.

The reason for the change is that with less funds it is more difficult to spread investments but Council still needs to act prudently.

## 3 **Funds Held**

The following funds were held at 31 October 2021:

	October - 2021	October - 2020
<b>Special Funds</b>		
Depreciation Funds	\$6,114,299	\$6,261,977
Development Feasibility	\$11,000	\$11,000
<b>Total Special Funds</b>	<b>\$6,125,299</b>	<b>\$6,272,977</b>
General Funds	\$491,706	(\$922,571)
<b>Total – comprising cash &amp; internal loans</b>	<b>\$6,617,006</b>	<b>\$5,350,406</b>

The figures show that overall Council has close to \$1.3 million more funds than this time last year.

Additional funds have been received for: sale of sections \$985k (since October 2020), Mayors Taskforce for Jobs \$250k, and water reform funding \$397k.

The projected cash-flow graph shows that Council is likely to continue to have a surplus at least until March 2022. However, once the significant projects are carried out at the end of the financial year, Council will then need to borrow funds. Staff will arrange loan funding prior to Council going into deficit.

Council carried-forward the following projects from 2020/21:

- Dog Pound & Netball Pavilion (\$1,240k)
- Water renewals (\$50k)
- Wastewater renewals (\$90k)
- Pool Office/Entrance/Fence (\$805k)
- Town Centre (\$80k)
- Others (\$176k)

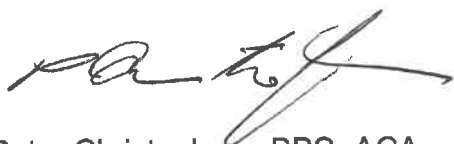
Funds held @ 31 October 2021 were as follows:

Invested in	\$	Interest (Average) %	% External
ANZ – on call	\$830	0.05%	0.02%
BNZ – current & on-call	2,892,142	0.05%	59.66%
Rabobank (on-call)	1,954,980	0.35%	40.32%
<b>Total Funds (Cash)*</b>	<b>\$4,847,952</b>		<b>100.00%</b>
Internal Loans	1,769,054		
<b>Total Investments</b>	<b>\$6,617,006</b>		
<b>Interest Rates</b>	Average interest rate		0.15%
	Weighted Average interest rate		0.18%

\*These figures include the accrued interest to 31 October 2021

#### 4 **RECOMMENDATION**

That the report "Treasury report to 31 October 2021" be received.



Peter Christophers, BBS, ACA

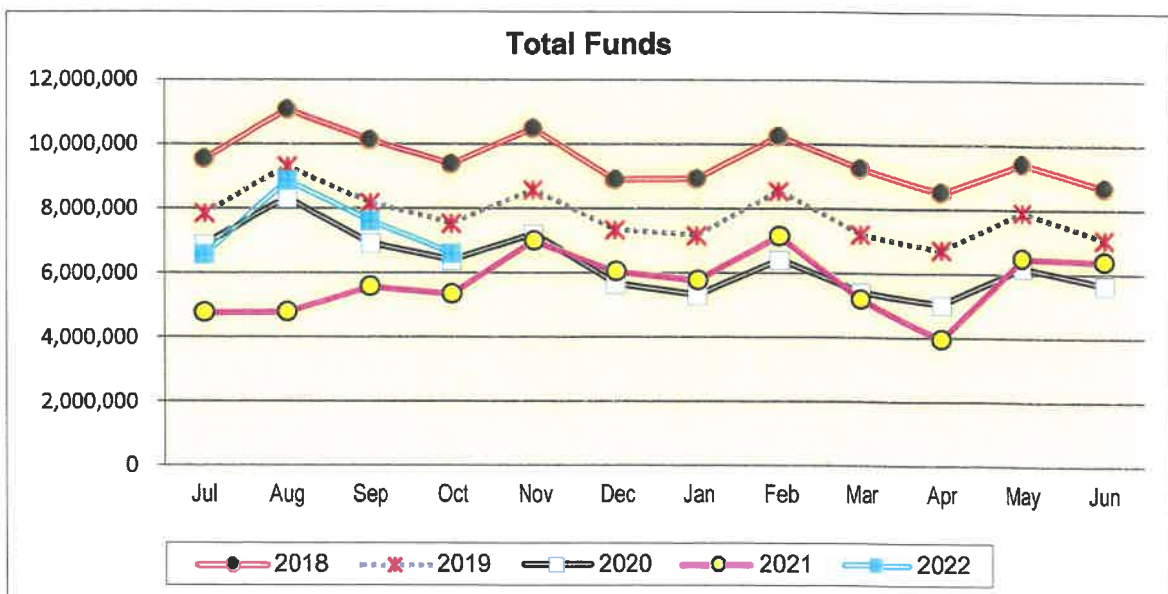
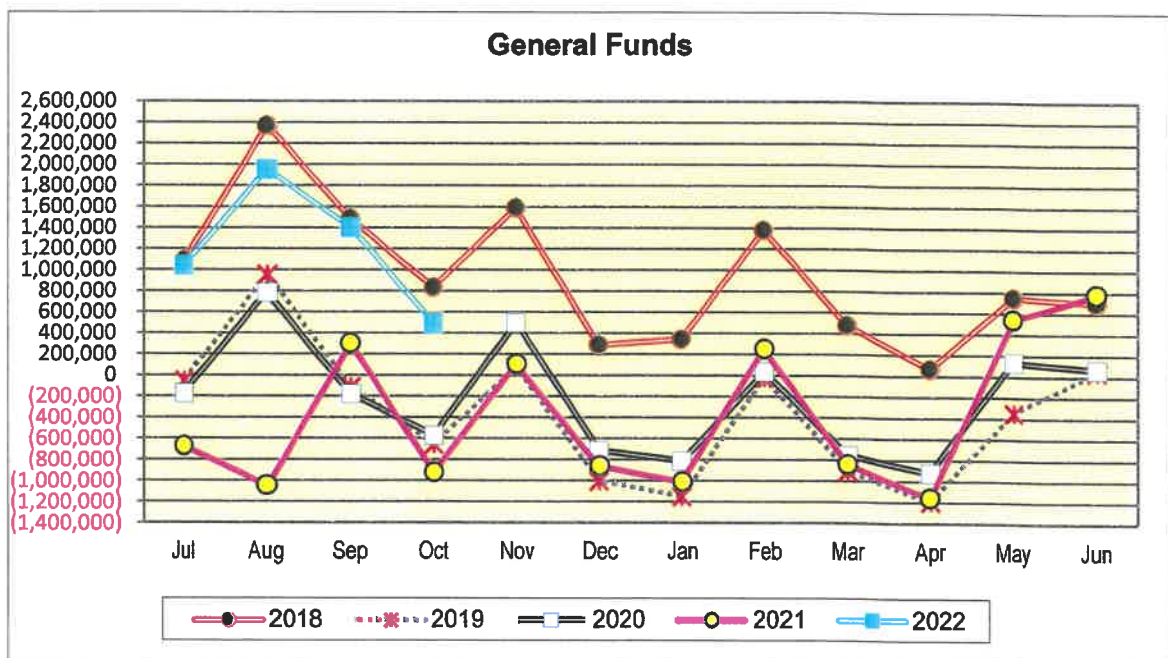
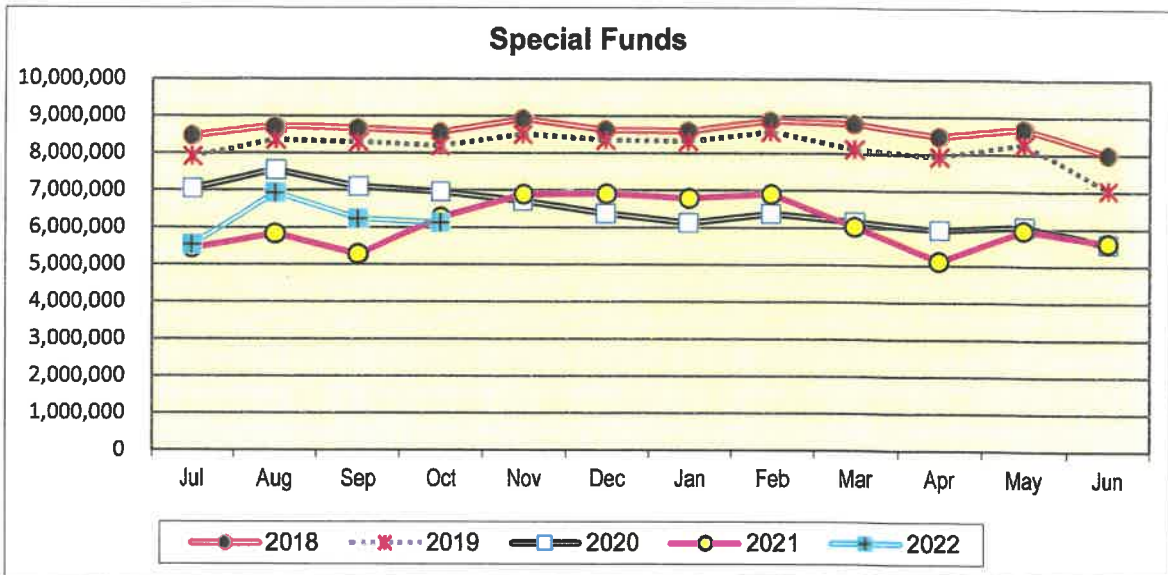
**Group Manager, Finance & Corporate Services**

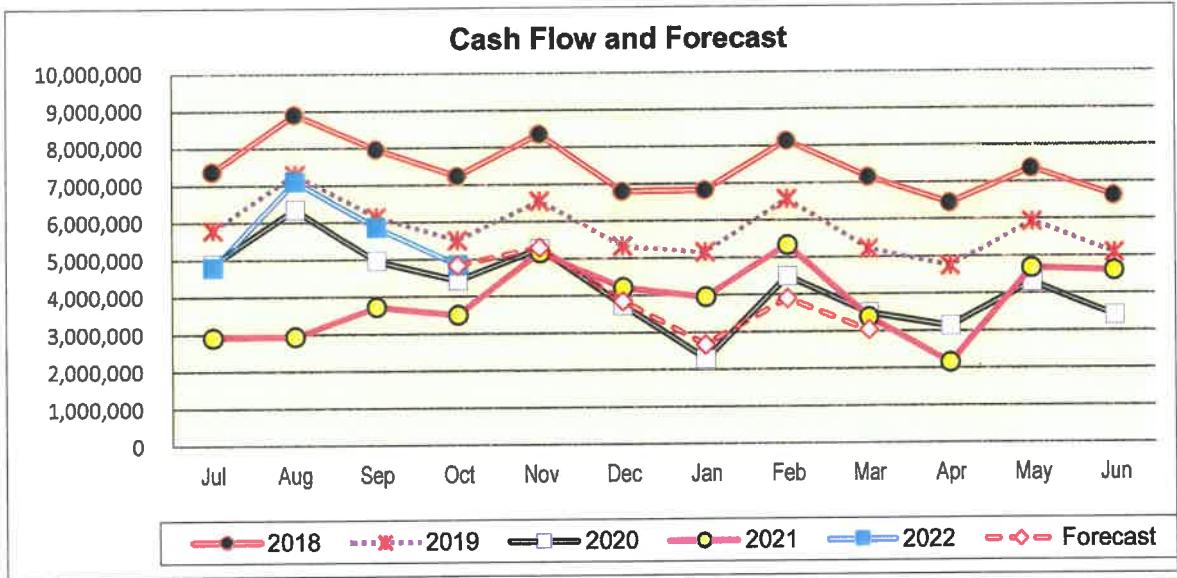
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# Funds Monitoring Graphs

## October





**Meeting:** Audit and Risk Committee

**Meeting Date:** 7 December 2021

**Subject:** Annual Plan performance for the 3 months ended 30 September 2021

**File No.:** 110400

## **1 Purpose**

The purpose of this report is to review and compare Council's financial and non-financial performance to 30 September 2021 with what is in the Long Term Plan for 2021/22.

The report provides a summary of the financial performance, capital renewals and performance targets for the year. The annual report will include further amendments to these figures with the inclusion of additional accrued costs and revenues

Comments are provided where expenditure/revenue is likely to vary from the budget and the performance targets may not be achieved for the year.

This is a summary of the report that went to the Council meeting – 30 November 2021.

## **2 Financial Performance**

### **2.1 Statement of Comprehensive Revenue and Expense**

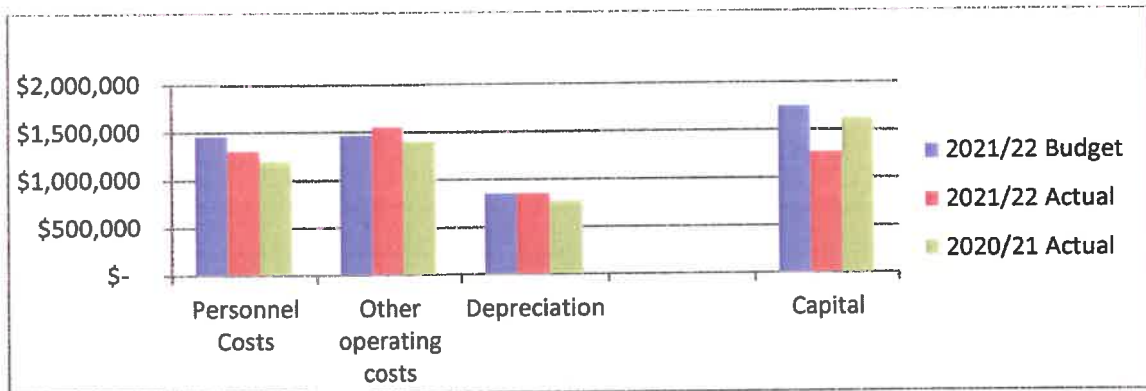
The following table shows Council's financial performance, the annual budget and the amended annual budget. The amended budgets include the carried forward figures as well as any additional expenditure approved by Council.

There is an operating surplus for the year to date, and explanations are provided where there are significant variances from the budget.

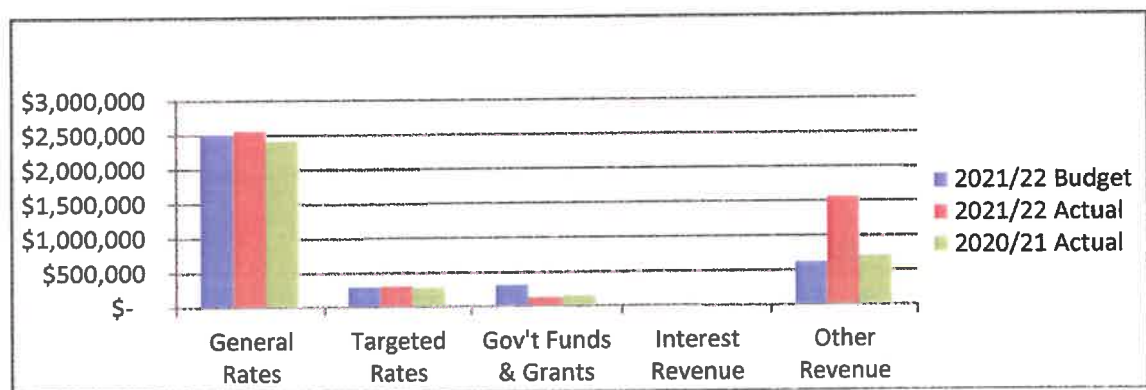
	Adopted Budget	Actual	Comments
<b>Revenue:</b>			
Rates	11,206,244	2,822,018	
Subsidies and Grants	1,241,850	32,855	Roadwork done in 2 <sup>nd</sup> half of year
Interest Revenue	18,734	2,466	
Fees and Other	2,403,080	1,612,380	Includes proceeds from section sales \$545k
Petrol Tax	70,000	5,536	Petrol Tax
<b>Total Revenue</b>	<b>14,939,908</b>	<b>4,475,255</b>	
<b>Expenditure:</b>			
Personnel Costs	5,835,070	1,307,760	On track
Depreciation	3,243,184	851,601	
Finance Costs	3,999	554	
Other Expenses	5,714,780	1,555,723	There will be additional costs for KPTW & events
<b>Total Expenditure</b>	<b>14,797,033</b>	<b>3,715,638</b>	
<b>Surplus/ (Deficit)</b>	<b>142,875</b>	<b>759,617</b>	

Council's expenditure and revenue for the year to 30 September 2021 are shown in the graphs below, compared to the budget and expenditure/revenue for 2020/21.

**Expenditure to 30 September 2021**



**Revenue to 30 September 2021**



Expenditure is close to budget, apart from some timing differences and job vacancies.

Capital expenditure is below the quarterly budget, however, most capital work will be undertaken in the second half of the year.

Council also received \$1.245 million from the sale of 4 retirement units in July 2021.

There has been additional grants revenue for events and proceeds from sale of sections, which has resulted in revenue being ahead of the year to date budget.

**2.2 Statement of Financial Position**

The following table shows Council's financial position at 30 September 2021 compared to the budget. The financial position figures do not include all the accruals for receivables and payables, which will be done for the Annual Report.

	Budget @ 30/6/2022	Actual to 30 Sept 2021	Comments
<b>Assets:</b>			
Current assets:			
Cash & cash equivalents	\$4,839,694	\$5,861,169	
Receivables	\$1,736,730	\$704,587	
Inventories	\$778,550	\$1,167,908	Includes residential developments
Non-current assets:			
Property, plant and equipment	\$71,417,175	\$69,648,402	
Intangible assets	\$58,070	\$40,389	
Other financial assets	\$36,250	\$36,252	
<b>Total Assets</b>	<b>\$78,866,469</b>	<b>\$77,458,707</b>	
<b>Liabilities:</b>			
Current liabilities:			
Payables, provisions & employee benefits	\$3,560,676	\$2,606,964	
Borrowing	\$16,500	\$9,537	
Non-current liabilities:			
Provisions & employee benefits	\$214,189	\$220,820	
Borrowing	\$2,040,420	\$5,046	Budget includes \$2.0 mil for water renewal loan
<b>Total Liabilities</b>	<b>\$5,831,785</b>	<b>\$2,842,367</b>	
<b>Ratepayers Equity</b>	<b>\$73,034,684</b>	<b>\$74,616,340</b>	
<b>Total liabilities &amp; ratepayers equity</b>	<b>\$78,866,469</b>	<b>\$77,458,707</b>	

### 2.3 Statement of Cashflow

The cashflow statement shows that Council is in a reasonably healthy position financially and overall there was an increase of \$1,244k in Council's cash position to 30 September.

	Budget @ 30/6/2022	Actual to 30 Sept 2021
<b>Cashflow from operating activities:</b>		
Rates	\$11,250,300	\$2,981,382
Subsidies	\$1,241,850	\$632,855
Fees & Charges	\$2,464,357	\$980,495
Interest Received	\$16,990	\$4,795
Payments to suppliers and employees	\$(11,593,013)	\$(2,589,179)
Interest paid on debt	\$(28,980)	\$(554)
<b>Net cashflow from Operations</b>	<b>\$3,351,504</b>	<b>\$2,009,794</b>
<b>Net cashflow from investing:</b>		
Disposal of Assets	\$3,500,000	\$1,245,000
Property, Plant & Equipment purchase (less asset disposals)	\$(6,991,450)	\$(1,999,740)
<b>Net cashflow from investing:</b>	<b>\$(3,491,450)</b>	<b>\$(754,740)</b>
<b>Net cashflow from financing:</b>		
Loan raised/(repaid)	\$2,037,000	\$(10,516)
<b>Net cash inflow/(outflow)</b>	<b>\$1,897,054</b>	<b>\$1,244,538</b>
Opening balance (1/7)	\$2,942,640	\$4,616,631
<b>Closing cash balance</b>	<b>\$4,839,694</b>	<b>\$5,861,169</b>

### 3 Non-Financial Performance

The following is a summary of the non-financial targets performance to September 2021:

Activity	2021/22 No. of Targets	On track to achieve	2020/21 Achievement Rate
Democracy	3	2	80%
Economic & Community Development	5	5	86%
Environmental Services (excludes N/As)	13	12	56%
Roading (including Footpaths)	7	5	50%
Stormwater	3	3	100%
Water Supply	12	12	75%
Wastewater	7	6	57%
Solid Waste Management	2	2	100%
Leisure and Recreation	14	10	63%
<b>TOTAL</b>	<b>66</b>	<b>57</b>	<b>68%</b>

Council has reduced the number of targets in line with the recommendations of the auditors and is tracking close to the previous year. However, the COVID-19 lockdowns has impacted on some targets and will possibly result in more targets being not achieved.

### 4 Capital Expenditure

The following is Council's capital budget (excluding carry forwards) and expenditure for the year to date:

Activity	2021/22 Budget	Actual	Comments
Economic & Community Development	\$1,831,400	\$492,472	Residential developments – Porritt Glade
Environmental Services	\$0	\$10,132	Dog Pound building
Roading	\$1,095,960	\$93,290	
Stormwater	\$221,400	\$0	Pipe renewal
Water Supply	\$2,213,000	\$397,750	Pipe replacement
Wastewater	\$985,000	\$90,000	WW pipe renewals
Solid Waste	\$8,000	\$4,076	Includes Recycle Shed
Leisure & Recreation	\$371,340	\$67,885	Pool & Library renewals
Plant, Depot and Office	\$270,350	\$113,298	New plant/vehicles, PCs & office building
<b>Total</b>	<b>\$6,996,450</b>	<b>\$1,268,903</b>	

The capital projects are on track and it is assumed that most projects will be completed by the year end.

**5 RECOMMENDATION**

That the report "Annual Plan Performance for the three months to 30 September 2021" be received.



Peter Christophers, BBS, ACA

**Group Manager, Finance & Corporate Services**

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**Meeting:** Audit and Risk Committee

**Meeting Date:** 7 December 2021

**Subject:** Risk Register Summary

**File No:** 201000

## **1 Purpose**

The purpose of this report is to update the Risk Register Summary, which was last reviewed and amended by the committee in May 2020.

## **2 Background**

Council's risk register identifies the high level risks, the mitigations, and the associated risk scoring both prior to mitigation, and then following the mitigation measures that are in place. The register has previously been reviewed by KPMG, who made a number of recommendations which were included in the register.

Also following the recommendations of Council's auditors, the committee previously added the following risks to the register:

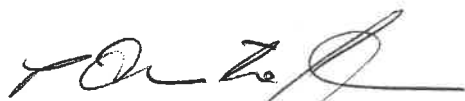
- Staff able to amend the time that a "service request" was made and also completed
- Staff able to delete journals in the general ledger
- There was a lack of segregation when raising electronic purchase orders (EPOs)

Since risk register was last reviewed there have been some changes to the local government landscape which requires Council to reassess the levels of risk and the residual risk following any mitigation measures. These changes include the local government reforms planned by the minister and the impact of COVID-19 on Council operations. Also Norske Skog has ceased operations and consequently the risk associated with losing a significant ratepayer is increased.

All amendments are in bold for the members' information.

## **3 RECOMMENDATION**

1. That the report "Risk Register Summary" be received.
2. That the Audit and Risk Committee consider (and amend) changes made to Council's Risk Register



Peter Christophers, BBS, <sup>ACA</sup>  
**Group Manager, Finance & Corporate Services**

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**Risk Register**  
(Material – High Level Risks)  
**Kawerau District Council**

Updated: 7 December 2021

## RISK REGISTER

### Definitions:

The common definitions for terms used in risk management documents, include:

- **Risk:** Effect of uncertainty on objectives.
- **Risk Management Strategy:** A structured approach for the assessment, management and mitigation of risk
- **Risk Management Process:** Systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing and evaluating, treating, monitoring and reviewing risk.
- **Risk Mitigation:** Those measures that manage the risk.
- **Risk Owner:** Person or entity with the accountability and authority to manage/monitor a particular risk.
- **Risk Register:** A record of identified risks.
- **Risk Appetite:** The amount and type of risk that the Council is prepared to pursue, retain or tolerate.

31

### Risk Management Strategy

Council's risk management strategy is: *to identify, assess and mitigate known risks to the point that Council determines is acceptable after taking into account the possible outcomes should the event occur and the cost of further mitigation.*

### Risk Appetite

Risk appetite is the level of risk Council is prepared to tolerate before it takes action to reduce (or further reduce) the risk. It is not always practical or feasible to totally eliminate risk and to attempt to do so would not be value for money.

Council has adopted the **ALARP** principle (**As Low As Reasonably Practical**) after taking into account the likelihood and consequence of the particular risk as well as the cost of further mitigation, for the management of its risks. Very few risks can be reduced to zero – there will always be some level of potential risk.

Description	Risk	Impact	Raw Risk		Current Mitigation	Residual Risk (total)	Future Mitigation/Monitoring	Costs of future mitigation	Is Residual risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)
			Likelihood	Consequence							
Central Government influences (3 waters, RMA & Future of Local Government)	Potential changes to role/ structure of Council.	Changes to structure could have destabilising effect on district. Representation and local decision making powers may be reduced. Services may change. Conversely role/ structural changes could also be a positive benefit for the district.	5	5	No direct controls in place as Council unable to control central government decisions. However keeping abreast of the emerging issues and having strategies to deal with proposed changes in place via workshops and regular Council briefings. Refinement and development of corporate processes ensures organisation is high functioning and resilient to any change. Also undertaking shared services where appropriate to ensure efficiencies and savings where possible <b>Provide feedback to central government on any possible negative outcomes of proposed reforms</b>	4,5 20	Maintain close watching brief of possible central government changes. Submit on relevant consultation opportunities. <b>Ongoing feedback to minister and prime minister of any negative consequences of reforms</b>	No additional costs identified.	N	N/A	CEO
			5	25							

**Local Government Restructure/Reforms**

Description	Risk	Impact	Raw Risk			Current Mitigation	Residual Risk (total)	Future Mitigation/Monitoring	Costs of any future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)
			Likelihood	Consequence	Total							
<b>Environmental Impact</b>												
Major earthquake	Natural significant regional disaster.	Assets destroyed, buildings destroyed and residents displaced. Utilities pipes broken, bridges collapsed. Injury and death. Public access denied.	3	5	15	Civil defence planning and testing in place, Reserves Act powers, RMA powers, building code compliance. Insurance coverage annually. Earthquake prone and insanitary buildings review recommendations acted on over time. Earthquake assessments have been undertaken for all Council facilities and buildings. Earthquake strengthening for Concert Chamber (EOC) completed November 2017. All council buildings are now to code	2,5 10	On-going insurance of council assets to mitigate losses arising from earthquake. On-going civil defence education of staff and residents as to what to do in the event of an earthquake and how to prepare for a disaster	Annual insurance cost for council assets Training for emergencies	Yes	On-going	MOS
Storm Events (flooding and wind damage)	Climate change, extreme weather events increase including tornados. Widespread storm flooding over a sustained period of time.	Damage to assets, property, utility systems unable to cope, bridges washed out, streams and drains become torrents. Death and injury.	4	5	20	Civil defence, Reserves Act powers, RMA powers, District Plan (hazard zones), maintenance contract. Insurance for Council assets including infrastructure. Council financial reserves available to fund infrastructure replacement Stormwater network, and improvements to capacity of stormwater system Removal of high risk trees	3,5 15	On-going insurance. Mitigation improvements are identified in the AMP's and LTP. Capital expenditure to improve stormwater capacity (2019/20). On-going identification of at risk trees Stormwater infrastructure will not mitigate possible damage for all heavy rain events and floods. Development of Climate Change action-plan	Programmed to spend \$400k in 2018/19 on stormwater upgrades	No	2018/19	MOS

Description	Risk	Impact	Raw Risk			Current Mitigation	Residual Risk (total)	Future Mitigation/Monitoring	Costs of any future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)
			Likelihood	Consequence	Total							
Global Pandemic (COVID-19)	Pandemic will result in Council being unable to provide services to community	Restrictions to residents. Limited Council services provided. Reduced quality of life. Inability of community to pay for services	5	5	25	Civil defence provisions, protective equipment for staff, restrictions to Council services to reduce spread. Communication with community concerning vaccinations and maintaining preventative practices	5.4 20	Continued communication with the community. Continuing to follow MoH guidelines	No additional costs identified although could be potential loss of revenue (fees and rates – if job losses)	N	N/A	CEO

Description	Risk	Impact	Raw Risk			Residual Risk (total)	Future Mitigation	Costs of future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)	
			Likelihood	Consequence	Total							
<b>Human Resources</b>												
Loss of institutional knowledge	Loss of key staff and with them institutional knowledge.	Inefficiencies and poor decision making in the absence of prior knowledge. Could be financial costs for fixing mistakes.	3	3	9	3.2 6	<p>Business Improvement Teams documenting processes and making available on the Council intranet.</p> <p>Some succession planning being undertaken, but restricted by size of organisation and limited resources</p> <p>Significant work on AMPs during development of 2018-2028 LTP to provide asset information for the organisation.</p>	<p>Implement electronic document management system (EDMS) - Objective.</p> <p>On-going succession planning including management courses</p> <p>Ongoing improvements to asset data in AMPs.</p>	<p>Implementation of EDMS is likely to cost \$100k and management courses will be \$15k.</p> <p>There will be minimal additional costs to update and review Council's AMPs</p>	Yes (mitigation will be ongoing)	Ongoing	CEO
Organisational Structure	Inability to attract suitable staff.	Inability to effectively deliver services.	3	3	9	2.3 6	<p>Ability to enter into service contracts and shared service arrangements.</p> <p>Competitive salary packages.</p> <p>Good work environment and reputation as good employer.</p> <p>Close proximity to larger towns with greater employee base.</p>	<p>Providing competitive salary packages by regularly obtaining market data.</p> <p>Continue providing excellent work environment</p> <p>Maintain good employer reputation</p>	No additional cost	Yes	Ongoing	CEO

Description	Risk	Impact	Raw Risk			Residual Risk (total)	Future Mitigation	Costs of future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)		
			Likelihood	Consequence	Total								
<b>Fraud and Defalcation:</b>													
36	Potential for fraud including the misappropriation of funds	That staff could misappropriate funds and/or commit fraud by misreporting the performance of the organisation	Loss of ratepayer funds. Reputational risk. Lack of confidence in management and reporting	3	4	12	System of internal controls and policies/strategies in place. Police check for new employees Annual audit of Council's Annual Report and control systems. Auditors have identified potential weaknesses with current controls: <ul style="list-style-type: none"> <li>• Journals may be cancelled</li> <li>• Lack of segregation when raising EPOs</li> <li>• Delays in preparing monthly reconciliations</li> <li>• SRs can be adjusted</li> </ul> The cancellation of journals and amendments to SRs are permitted by Council's operating system (OZONE), however, there is only a limited number of staff that are able to do this, and Council considers the risk to be acceptable.	2,3 6	On-going review of internal controls. Review and update of policies/strategies in line with best practice. Annual review of Council's performance (financial and non-financial). Monthly reconciliation of bank accounts and reports to Council. High risk reconciliations always done in timely manner.	No significant additional costs identified to date.	Yes	Ongoing	CEO



Description	Risk	Impact	Raw Risk			Current Mitigation	Residual Risk (total)	Future Mitigation	Costs of future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)
			Likelihood	Consequence	Total							
<b>Finance:</b>												
Significant nature of major ratepayers	That one or more of these ratepayers ceases to exist	Ratepayer burden increases jeopardising sustainability of Council long term	5	4	20	Involvement in economic development to increase the rating base and reduce reliance on a few individual ratepayers	5,3 15	On-going involvement in economic development and increase the rating base.  Reviewing revenue and costs to reduce impact.	On-going cost of providing economic development activity. Also reduced revenue to community	No	Ongoing	EDM
<b>Service Delivery</b>												
Infrastructure planning not adequate	Unplanned asset failure. Assets not where thought to be. Insufficient capacity or over capacity Renewal of assets undertaken when not needed.	Essential services not able to be provided. Repairs and reconstruction costs prohibitive. Residents / businesses unable to function.	2	4	8	Updated Asset Management Plans (conforming with best practice) to ensure all assets are known, fit for purpose, adequately maintained and replaced when required in a most cost effective manner. AMPs were reviewed and updated to a level of at least "core requirement" as part of the 2018-28 LTP preparation. Council adopted an AMP policy which states that AMPs will at least meet the "core requirement" level. Asset managers and staff are appropriately qualified and trained.	1,4 4	Project management, business case and procurement practices are in place.  On-going review of AMPs (living documents) and community's need for infrastructure	No additional costs except for on-going renewal of infrastructure (as identified in AMPs)	Yes	Ongoing	MOS

Description	Risk	Impact	Raw Risk			Current Mitigation	Residual Risk (total)	Future Mitigation	Costs of future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)
			Likelihood	Consequence	Total							
Land supply	Significant portion of undeveloped land held in private ownership.	Inability to access sufficient land for development and therefore town stagnates.	3	3	9	Engagement with major land owners through ISK. Develop protocols with major land owners	2,3 6	On-going liaison with major land owners	Unknown	Yes	Likely to be ongoing	EDM

Description	Risk	Impact	Raw Risk			Current Mitigation	Residual Risk (total)	Future Mitigation	Costs of future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)
			Likelihood	Consequence	Total							
Capital projects	<p>Risk that completed project is not fit for purpose.</p> <p>Risk that capital projects are poorly managed and costs are not affordable.</p>	<p>Capital project costs going over budget Council's reputation is affected.</p> <p>Council doesn't adhere to Annual Plan/LTP commitments.</p> <p>Potential level of service may not be achieved.</p>	2	4	8	<p>The Council approval process for capital projects is required by legislation to be undertaken as part of the existing Annual Plan process and included in the Annual Plan budget setting.</p> <p>Monthly monitoring of capital projects</p> <p>Quarterly reporting of all significant capital projects to be reported to Council.</p> <p>Retention and contractual recourse to remedy.</p> <p>Critical Path Plans for all significant projects.</p> <p>Health and Safety completion audit.</p> <p>Implementation of project management policy and methodology.</p>	1, 4	<p>On-going requirement for all new proposed capital projects are to be presented to Council as part of the Annual Plan / Long-Term Plan process.</p> <p>On-going staff training in project management.</p>	<p>Additional costs will be incurred as part of any business improvement process.</p> <p>These are not expected to be significant.</p>	Yes	Ongoing	MOS

Description	Risk	Impact	Raw Risk			Current Mitigation	Residual Risk (total)	Future Mitigation	Costs of future mitigation	Is Residual Risk Acceptable? (ALARP)	Time-frame for further mitigation	Staff Responsible (monitoring & mitigation)
			Likelihood	Consequence	Total							
<b>Legal and Regulatory</b>												
Council negligence or mismanagement of an issue or non-compliance with legislation.	Litigation, Reputational Risk	Lack of trust and confidence in Council. Possible statutory management.	2	4	8	Legislative compliance processes and checklists in place for Council services. Use of Code of Conduct for councillors and staff. Use of conflicts of interest register, etc. External review undertaken by Audit NZ on financial and non-financial indicators.	1,4 4	Centralised communications management. Use of independent internal audit programme. Staff training on compliance required for activities. Improvements made to Council activities and processes as a result of audit findings, review of essential processes as part of the Business Improvement Teams.	Training for staff. Ongoing legal advice. No additional costs for business improvements. Business as usual.	Yes.	On-going	CEO
<b>Health and Safety</b>												
Health and safety.	Council does not meet its requirement to be a responsible employer and/or does not comply with the Health and Safety in Employment Act.	Possible avoidable death and injury. Reputational risk. Costs of not being a good employer.	4	5	20	Health and Safety Officer appointed Health and Safety Committee in place. Monthly monitoring by Leadership Team of Health and Safety Committee minutes as well as: incidents, near-misses and improvements. Proactive approach to Health and Safety risk mitigation.	2,5 10	Health and Safety external and internal audits regularly performed including audits of Council's contractors.	No significant additional costs identified to date.	Yes	Ongoing	CEO

Risk Summary

		Likelihood					Consequence							
		5 Likely (>60%)	4 Moderate (25% - 60%)	3 Rare (5% - 25%)	2 Very Rare (1% - 5%)	1 Unanticipated (<1%)	1 Minor	2 Moderate	3 Significant	4 High	5 Extreme			

Key: Risk Total = Likelihood x Consequence





**KAWERAU DISTRICT COUNCIL**

The Meeting of the Audit and Risk Committee will be held on  
Tuesday 7 December 2021 in the Council Chamber  
commencing at 1.00pm

**AGENDA**

**Apologies**

**Declarations of Conflict of Interest**

Any member having a "conflict of interest" with an item on the Agenda should declare it, and when that item is being considered abstain from any discussion or voting. The member may wish to remove themselves from the meeting while the item is being considered.

**1 Occupational Health and Safety Management System Status (Health and Safety Officer) (509500)**

**Pgs. 1 - 17**

Attached is the report for the Health and Safety Manager covering The OSH Management System.

**Recommendation**

*That the report "Occupational Health and Safety Management System Status" be received.*

**2 Treasury Report to 31 October 2021 (Group Manager, Finance and Corporate Services) (110551)**

**Pgs. 19 - 22**

Attached is a report showing Councils cash position at 31 October 2021 and where the funds are invested.

**Recommendation**

*That the report "Treasury report to 31 October 2021" be received.*

**3 Annual Plan Performance for the 3 Months Ended 30 September 2021 (Group Manager, Finance and Corporate Services) (110400)**

**Pgs. 23 - 27**

Attached is a report summarising Councils performance for the first 3 months of the 2021/22 year.

**Recommendation**

*1. That the report "Annual Plan Performance for the 3 Months Ended 30 September 2021" be received.*

4 **Risk Register Summary (Group Manager, Finance and Corporate Services) (201000)** Pgs. 29 - 41

Attached is a report reviewing Councils Risk Register for the Committee to consider.

**Recommendation**

1. *That the report "Risk Register Summary" be received.*
2. *That the Audit and Risk Committee consider (and amend) changes made to the Councils Risk Register.*

R B George

**Chief Executive Officer**

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