Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council
Risk and Assurance Committee Meeting

Kaupapataka

Open Agenda

Te Rā Hui: Meeting date:	**Tuesday, 2 February 2021**
Te Wā: Time:	**9.00am**
Te Wāhi: Venue:	**Landmarks Room** **Ground Floor** **Civic Administration Building** **Lyndon Road East** **Hastings**
Te Hoapā: Contact:	**Democracy and Governance Services** **P: 06 871 5000	E: democracy@hdc.govt.nz**
Te Āpiha Matua: Responsible Officer:	**Group Manager: Corporate - Bruce Allan**

Watch Council meetings streamed live on our website www.hastingsdc.govt.nz

Risk and Assurance Subcommittee – Terms of Reference

Fields of Activity

The Risk and Assurance Committee is responsible for assisting Council in its general overview of financial management, risk management and internal control systems that provide;

- Effective management of potential risks, opportunities and adverse effects.

- Reasonable assurance as to the integrity and reliability of the financial reporting of Council.

- Monitoring of Council's requirements under the Treasury Policy.

- Monitoring of Councils Strategic Risk Framework.

Membership

- Membership (7 including 4 Councillors).
- Independent Chair appointed by Council.
- Deputy Chair appointed by Council.
- 3 external independent members appointed by Council.

Quorum – 4 members

Delegated Powers

Authority to consider and make recommendations on all matters detailed in the Fields of Activity and such other matters referred to it by Council.

Tuesday, 2 February 2021

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council
Risk and Assurance Committee Meeting

Kaupapataka

Open Agenda

Mematanga: **Membership:**	*Koromatua* **Chair:** Jon Nichols – External Independent Appointee *Nga Kai Kaunihera* **Councillors:** Simon Nixon (Deputy Chair), Alwyn Corban, Tania Kerr, and Geraldine Travers Robin Hape - Heretaunga Takoto Noa Māori Standing Committee appointee Jaun Park – External Independent Appointee Mayor Sandra Hazlehurst (ex-officio)
Tokamatua: **Quorum:**	4 members
Kaihokoe mo te Apiha **Officer Responsible:**	Group Manager: Corporate – Bruce Allan
Te Rōpū Manapori me te Kāwanatanga **Democracy & Governance Services:**	Christine Hilton (Extn 5633)

Te Rārangi Take
Order of Business

Apologies & Leave of Absence – *Ngā Whakapāhatanga me te Wehenga ā-Hui*

1.0 An apology for Absence had been received from Councillor Eileen Lawson.

At the close of the agenda no requests for leave of absence had been received.

2.0 Conflict of Interest – *He Ngākau Kōnatunatu*

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Manager: Democracy and Governance (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

Confirmation of Minutes – *Te Whakamana i Ngā Miniti*

3.0 Minutes of the Risk and Assurance Committee Meeting held Monday 7 December 2020. *(Previously circulated)*

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Risk and Assurance Committee Meeting

Te Rārangi Take

Report to Risk and Assurance Committee

Nā: From:	**Steffi Bird, Risk Assurance Advisor** **Regan Smith, Risk and Corporate Services Manager**

Te Take: Subject:	**Risk Assurance Update**

1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

1.1 The purpose of this report is to update the Committee on recent risk assurance activity including internal assurance reviews and action status from all internal reviews and external audits.

1.2 **Internal Assurance Reviews**

1.3 *Organisation Policy Review*

1.4 Background

- Through BowTie Analysis workshops in 2018, 'Policies and procedures' were identified as a key control against a number of strategic risks at Hastings District Council (HDC). Driven by these workshop outcomes, the Risk Assurance function initiated a review of organisational policies to assess the effectiveness of developing and implementing policies at HDC.

- This review was not initially included in the review programme for 2020/21 however, HDC's Risk Assurance function agreed that a critical control review would be beneficial, in addition to the three planned reviews included in the approved Risk Assurance Review Plan for 2020/21.

1.5 Summary of Findings

- Overall, Risk Assurance found policies to be **substantially effective** as a critical control, with opportunities to improve consistency across the organisation and introduce methods of obtaining policy data for monitoring effectiveness and reporting purposes.

- The specific findings and subsequent recommendations have been categorised into six different themes; *Policy Development, Policy Approval, Policy Review, Training & Implementing, Policy Access, and Monitoring & Reporting*. The report (**Attachment 1**) was presented to Lead Team Assurance at the December meeting and progress continues to identify the appropriate officers, responsible for the completion of each recommendation.

1.6 *Internal Audit Data Analytics*

1.7 Background

- The Internal Audit Data Analytics was undertaken by Crowe as part of the contracted Internal Audit Plan for 2020/21. The data analytics was last performed in 2017 and found no suspicious transactions. This is the third time we have conducted this review over the past four years.

- The transactional data testing included transactions during the period 1 July 2019 to 30 June 2020. The tests to detect suspicious transactions were undertaken across payroll and accounts payable payments and master data.

- Note that the data analysis work did not include assessment of the respective internal controls within the business processing areas and was limited to factual reporting of identified data anomalies as per the specified tests undertaken.

1.8 Summary of Findings

- Crowe provide a summary of testing results of the payroll and finance application data that included anomalies in the accounts payable data and transactions, cross matching of data between accounts payable and the payroll system, and payroll data and transactions.

- A management summary is provided with an Excel workbook containing the results for each area. Each Excel workbook included a summary results table with risk indicators and recommended actions and the detailed transactions and master data records identified through completion of the specified tests.

- A total of 43 tests were run, which identified 621 transactions that suggested possible anomalies with a recommendation that they be investigated further. Payroll have reviewed these transactions and have found no suspicious transactions. Accounts Payable team have undertaken an initial review and found no areas of concern, with a more detailed review to be completed.

1.9 **Action Status Summary**

- A status summary of all current actions raised from internal assurance reviews and external audits is presented in **Attachment 2**.

- Key points to note from the summary are:

  – Ten of the 14 overdue tasks are part of two primary projects in progress; implementation of a cash handling policy and procedures (*4 tasks*) and the procurement of a new contract management system (*6 tasks*).

  – A new contract management system has been selected and will be implemented over 2021. A project delivery and change management plan is being developed.

  – The Assurance Review Programme for 2020/21 is on track. Fieldwork and findings for the joint review of HDC Consenting functions were completed in 2020, and work continues into 2021 with Crowe to produce a combined report for management.

- Risk Assurance has initiated a new process internally to oversee and track the completion of internal review and external audit tasks on a regular basis. This will enable consistent and frequent status updates to be provided to the Risk & Assurance Committee in future.

1.10 **World Economic Forum – The Global Risks Report 2021**

- The World Economic Forum have recently released The Global Risks Report 2021, and an extract of the report is provided in **Attachment 3** as a horizon scan opportunity for Risk and Assurance.

- Of significant note are the positions of 'Infectious Diseases' and 'Climate Action Failure' on the Global Risks Landscape diagram, found on page six.

2.0 Recommendations – *Ngā Tūtohunga*

A) That the Risk and Assurance Subcommittee receive the report titled Risk Assurance Update dated 2 February 2021.

Attachments:

1⇩	HDC Policies Review Final Report - Nov 2020	PMD-9-1-21-28
2⇩	Assurance Actions Summary - January 2021	PMD-9-2-21-52
3⇩	World Economic Forum - The Global Risks Report 2021	ADM-01-26-6-21-6

Item 4

Hastings District Council
Policies
Internal Review

Internal Review	Hastings District Council Policies
Reviewer	Steffi Bird – Risk Assurance Advisor Regan Smith – Risk & Corporate Services Manager
Purpose of Review	Critical Control Review
Date of issue	17 November 2020
Reviewee(s)	Organisational Policies

1. Executive Summary

1.1. Introduction

The review of organisation-wide policies at Hastings District Council (HDC) has been initiated by the Risk Assurance function in response to BowTie Analysis workshops held in 2018, which identified 'policies and procedures' as a key control against a number of strategic risks at HDC.

The review is supported by the Risk Assurance Charter (PMD-9-1-18-12).

1.2. Objective and Scope

The objective of the review was to assess the effectiveness of developing and implementing policies at HDC. Four corporate policies owned by different business units and applicable to all HDC staff were selected as a sample. Each policy was reviewed for completeness and accuracy, interviews were held with each of the policy owners and a selection of different teams to assess the implementation and understanding of policies after approval and release. The policies reviewed included:

- *Compliments & Complaints Policy*
- *Business Continuity Management Policy*
- *Email Policy*
- *Fraud & Corruption Prevention Policy*

For each of the policies, the review considered the following:

- The location of the current policy and how staff access it
- The policy owner, policy expert and roles which the policy is applicable to
- When the policy was last reviewed and what the review plan entails (e.g. frequency, stakeholder consultation)
- Any records of staff being trained in regards to the policy, or advised of the policy during their induction at Council
- The understanding of the policy across different functions within Council and how well it is embedded within day-to-day operations
- Any communications that have been released for staff awareness and/or training purposes of the policy

It is important to note that due to the breadth of knowledge in the policies sampled, the review did not assess the documents for technical accuracies, nor the delivery method of any training completed.

1.3. Findings

Following interviews with the relevant policy owners, expert and a selection of users, feedback was compiled to create a summary of the process followed and compared against policy best practice to identify any gaps. The best practice cycle is based on our interpretation of the practice, embedded in ISO9001, and is made up of three phases (Establish/Maintain, Implement, and Monitor) with various tasks required within each phase.

Policy Cycle Best Practice

Establish/Maintain Phase

The review found that overall, the phase for establishing and maintaining policies was well executed. Despite having no documented guidance on how to develop a policy, the owners and experts were deemed the most appropriate or knowledgeable officers for the role. Recent policies were all created using the new standardised policy template, three of the four policies were approved by the Lead Team and approved documents were published in a consistent manner.

Policy owners and expert were aware of their role and responsibility for maintaining the policy on a regular basis, including the next scheduled review date. However, the process in which the review would follow was not always documented or prepared for by owners.

Implement Phase

Across the four policies, the implementation of policies to the organisation varied significantly. While all four were published to Infokete and communicated through an all staff email, staff training was inconsistent. There was a reliance on the new staff induction process managed by HR, or managers to initiate advising staff of new/updated policies. There were insufficient records for staff training on policies, with no clear ownership of who should manage any records.

Feedback gathered in the review from policy users identified a strong awareness of Health & Safety related policies, and knowledge of the Staff Manual including some of the Council's policies. Staff were confident with where to find policies when needed but lacked confidence in the ability to search for the document successfully. It was noted that to find a policy in Infokete required either knowing the exact document name to use the search function, or to scroll through multiple pages of policies, procedures and other documents to find it.

From discussions with policy users, there were different levels of understanding which policies were applicable to them but a sense that they would already be working in line with any necessary policies.

Monitor Phase

Monitoring of policies is an area in which the organisation is considerably lacking in. From the four policies sampled, only one had a regular review of statistics relating to the policy. Information gathered from formal monitoring could be used to assess staff awareness, support the review process and identify any systemic issues.

1.4.   Overall assessment

Our review resulted in 12 findings against the one critical control, which is linked to nine strategic risks. The findings have been weighted using a severity scale of very high, high, medium or low, to indicate the priority with which we consider these findings should be treated.

Overall, Risk Assurance assessed Policies & Procedures being **substantially effective** as a critical control, with opportunities to improve consistency throughout the process and introduce means of a feedback loop in order to drive continuous improvement across the organisation.

Classification of Internal Control Confidence

Rating	Description
Fully Effective	Control is appropriately planned and designed and is operating as intended to address relevant business risks. The control environment is providing a high level of assurance that business objectives will be achieved.
Substantially Effective	Control is appropriately planned and designed, however there are still additional improvement opportunities in the control environment. The control environment is providing an acceptable level of assurance that business objectives will be achieved.
Partially Effective	Control is not operating as intended or has not been designed appropriately to address the relevant risks. Improvements are required in order to achieve an acceptable level of assurance that business objectives will be achieved.
None or Largely Ineffective	Control not yet in place or is fundamentally deficient in addressing the relevant risk. Control is not contributing to an assurance that business objectives will be achieved.

1.5.   Basis and Use of this Report

This report has been prepared in accordance with the Scoping Statement and subject to the principles set out in our Risk Assurance Charter. The report is written on an exceptions basis and therefore only areas requiring high level management consideration and action are included in this report.

2. Findings and Recommendations

1. Policy Development Process	Rating of Risk: Substantially effective
Finding	**Recommendations**
Policy Owners & Experts tended to be the most appropriate officer for the role based on their experience and knowledge however, there is a lack of process to ensure consistency of policy development across the organisation. Recent policies had all been created on the policy template document ensuring a standardised look and feel. Despite best intentions, there was varying levels of consultation and engagement for each of the policies in the early stages. The BCM policy had been reviewed by an external industry professional for technical accuracy and completeness.	• Development of a policy framework to guide staff on assessing the need for a new policy, who to consult along the way, guidelines for writing a policy and who can approve. This could also outline the necessary next steps for implementing and rolling out a new policy • Consideration of whether there should be a review stage implemented prior to approval submission. Suggestion would be for an independent Council officer to review the policy to ensure completeness and adherence to policy framework

2. Policy Approvals	Rating of Risk: Partially effective
Finding	**Recommendations**
There is no formal documentation of which roles can approve final policy documents. Generally, most policy owners requested approval from the Lead Team to ensure the highest management level had been sought.	• Defining and formally documenting who is authorised to approve policies at Hastings District Council • Consideration of a tiered approach for policy approval being introduced – e.g. criteria for Lead Team to approve, or a Group Manager solely, or Team Manager

3. Policy Review Process	Rating of Risk: Substantially effective
Finding	**Recommendations**
Scheduled regular policy reviews are well documented and generally stuck to by policy owners. However, there is limited consistency or understanding of what the review process should involve. Similar to the development, there is no process to define who should be consulted during a review or, how to assess the need and effectiveness of the policy currently.	• Within the recommended policy framework, guidance on running the policy review process should be included. This should focus on assessing the need for the policy, the consultation required, defining the level of change and possible triggers for an out of cycle review

4. Training & Implementing	Rating of Risk: None or largely ineffective
Finding	**Recommendations**
Across the organisations, there is a lack of formal staff training, or communications for policy awareness. Policy Owners relied on the new staff induction training or best initiatives from managers to ensure staff knew of and understood any policies that were relevant to their role. Managers tended to rely on the HR onboarding process to ensure new staff were appropriately trained, or for all staff communications to inform their team members. Despite the strong dependence on the HR processes, there was no evidence of policy owners monitoring the completion of this with HR. It is evident there is a need to differentiate between a training and a briefing to ensure there is an appropriate level of comprehension at the time.	• Establish a consistent and formal process for training new and existing staff on new and updated policies, considering applicable user groups. This may include a combination of targeted trainings, online learning and briefing sessions. Ensure formal record keeping for staff training is followed. Consideration of whether a more substantial staff induction could be beneficial, used to cover essential corporate policies and culture • Document clear roles and responsibilities for policy owners, policy experts, direct managers and HR team in regards to the training process • Development of an 'Implementation & Communication Plan' to support approval process and roll out of policies. Within this, guide policy owners to plan semi-regular communications for awareness and to remind staff of the policy intent

Ref: PMD-9-1-20-27   V1.0   17 November 2020   Page 6 of 8

5. Policy Library & Ease of Access	Rating of Risk: Partially effective
Finding	**Recommendations**
While there is consistent knowledge of where to access policy documents, it is generally felt by staff that they cannot be sure of how to find the most current version within a timely manner. Feedback from staff is that the policy library on Infokete is too long to scroll through, and the search function is too sensitive, requiring the exact spelling for the record name. These factors contribute to policy users' sense of being able to do the right thing without checking the policy document	• Investigate improving the solution for the central location for policy documents to be held and kept up to date, ensuring ease of access for all staff is prioritised. Consideration of whether a simple policy register would be beneficial to quickly determine whether a policy exists or not

6. Monitoring & Reporting	Rating of Risk: None or largely ineffective
Finding	**Recommendations**
The Owner of the Compliments & Complaints policy extracts reporting for the number of complaints and compliments submitted on a regular basis however, beyond this, there is a lack of monitoring relating to organisational policies.	• Where applicable, the introduction of regular reporting for organisational policies to gather insights on the use would be beneficial. Insights would assist in understanding the use and awareness of the policy, identify any systemic issues, support the scheduled review process, provide triggers for an out-of-cycle review and detect whether the policy is still required • Identifying the appropriate measurements for monitoring and reporting at the time of developing a policy is recommended

3.   Management review and Sign-off

3.1.   Sign-off

Business Unit Acceptance and Comments:		
Name:	Signature:	Date:

General Manager Acceptance and Comments:		
Name:	Signature:	Date:

Key Stake Holder Acceptance and Comments (if applicable):		
Name:	Signature:	Date:

Key Stake Holder Acceptance and Comments (if applicable):		
Name:	Signature:	Date:

Key Stake Holder Acceptance and Comments (if applicable):		
Name:	Signature:	Date:

Risk Manager Acceptance and Comments (if applicable):		
Name:	Signature:	Date:

Risk & Audit Chair Acceptance and Comments (if applicable):		
Name:	Signature:	Date

Audit Actions Summary – January 2021

HASTINGS DISTRICT COUNCIL

Status of Audit Tasks (Internal & External)

- Not Started
- In Progress
- Completed, Pending Audit Sign-off
- Completed
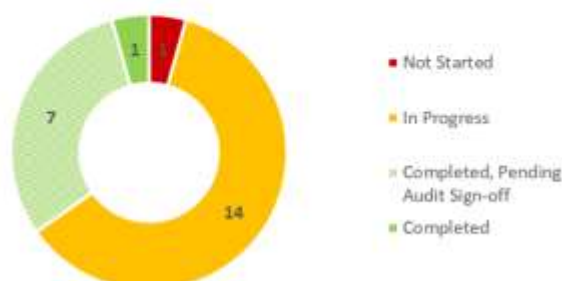
Priority of Overdue Tasks

- Low
- Medium
- High
- No priority
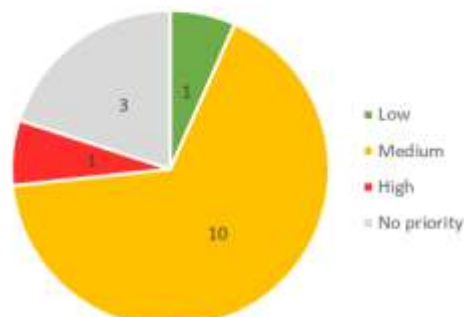
Overdue Recommendation / Task	Due Date	Owner	Status
Cash Handling Audit Tasks **(Internal Review)**:		Finance	In progress
- Draft and finalise the Cash Handling Policy ready for sign-off	27/09/2019		
- Cascade and socialise the Cash Handling Procedure Guidance to all operations that handle cash	10/01/2020		
- Carry out an audit on the sites that handle cash applying the newly introduced principles	10/02/2020		
- Review cash collection method from remote sites **(Crowe)**	1/04/2020		
Implement Contract Management System **(Audit NZ)**	1/10/2020	Procurement	In progress
Rates Assessment Notice - description of "factor" be included as a separate column **(Audit NZ)**	1/06/2020	Finance	In progress
Fair value assessment on non-revalued assets are made more robust **(Audit NZ)**	1/08/2020	Finance	Not Started
Review Protected Disclosures Policy **(Crowe)**	1/02/2020	Corporate / P&C	In progress
Contract Management Audit Tasks **(Crowe)**:		Procurement	In progress
- Incomplete contract management policies and procedures	1/01/2020		
- Lack of contract management planning			
- Lack of governance and management oversight	1/06/2020		
- Unclear management capabilities			
- Contracts not assessed for risk			
- Contracts register incomplete			
Lack of records management policies and procedures **(Crowe)**		Corporate	In progress

Assurance Review Programme 2020/21

Scheduled	Status	Review led by
Policy & Procedures	In Progress	Risk Assurance
Building & Resourcing Consenting	In Progress	Risk Assurance & Crowe
Regulatory Review	In Progress	Risk Assurance
IT Security	Planned	Risk Assurance
Data Analytics (Payroll & Accounts Payable)	Complete	Crowe
Revenue & Invoicing (Cemeteries and Crematorium)	Planned	Crowe

- Planned
- In Progress
- Complete
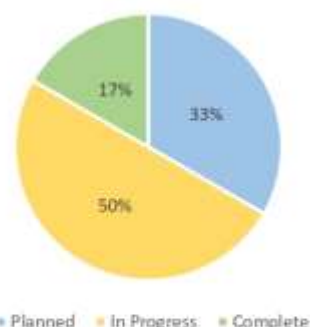
Executive Summary

The immediate human and economic cost of COVID-19 is severe. It threatens to scale back years of progress on reducing poverty and inequality and to further weaken social cohesion and global cooperation. Job losses, a widening digital divide, disrupted social interactions, and abrupt shifts in markets could lead to dire consequences and lost opportunities for large parts of the global population. The ramifications—in the form of social unrest, political fragmentation and geopolitical tensions—will shape the effectiveness of our responses to the other key threats of the next decade: cyberattacks, weapons of mass destruction and, most notably, climate change.

In the *Global Risks Report 2021*, we share the results of the latest Global Risks Perception Survey (GRPS), followed by analysis of growing social, economic and industrial divisions, their interconnections, and their implications on our ability to resolve major global risks requiring societal cohesion and global cooperation. We conclude the report with proposals for enhancing resilience, drawing from the lessons of the pandemic as well as historical risk analysis. The key findings of the survey and the analysis are included below.

Global risks perceptions

Among the highest likelihood risks of the next ten years are extreme weather, climate action failure and human-led environmental damage; as well as digital power concentration, digital inequality and cybersecurity failure. Among the highest impact risks of the next decade, infectious diseases are in the top spot, followed by climate action failure and other environmental risks; as well as weapons of mass destruction, livelihood crises, debt crises and IT infrastructure breakdown.

When it comes to the time-horizon within which these risks will become a critical threat to the world, the most imminent threats – those that are most likely in the next two years – include employment and livelihood crises, widespread youth disillusionment, digital inequality, economic stagnation, human-made environmental damage, erosion of societal cohesion, and terrorist attacks.

Economic risks feature prominently in the 3-5 year timeframe, including asset bubbles, price instability, commodity shocks and debt crises; followed by geopolitical risks, including interstate relations and conflict, and resource geopolitization. In the 5-10 year horizon, environmental risks such as biodiversity loss, natural resource crises and climate action failure dominate; alongside weapons of mass destruction, adverse effects of technology and collapse of states or multilateral institutions.

Economic fragility and societal divisions are set to increase

Underlying disparities in healthcare, education, financial stability and technology have led the crisis to disproportionately impact certain groups and countries. Not only has COVID-19 caused more than two million deaths at the time of writing, but the economic and long-term health impacts will continue to have devastating consequences. The pandemic's economic shockwave—working hours equivalent to 495 million jobs were lost in the second quarter of 2020 alone—will immediately increase inequality, but so can an uneven recovery. Only 28 economies are expected to have grown in 2020. Nearly 60% of respondents to the GRPS identified "infectious diseases" and "livelihood crises" as the top short-term threats to the world. Loss of lives and livelihoods will increase the risk of "social cohesion erosion", also a critical short-term threat identified in the GRPS.

Growing digital divides and technology adoption pose concerns

COVID-19 has accelerated the Fourth Industrial Revolution, expanding the digitalization of human

The Global Risks Report 2021   7

interaction, e-commerce, online education and remote work. These shifts will transform society long after the pandemic and promise huge benefits—the ability to telework and rapid vaccine development are two examples—but they also risk exacerbating and creating inequalities. Respondents to the GRPS rated "digital inequality" as a critical short-term threat.

A widening digital gap can worsen societal fractures and undermine prospects for an inclusive recovery. Progress towards digital inclusivity is threatened by growing digital dependency, rapidly accelerating automation, information suppression and manipulation, gaps in technology regulation and gaps in technology skills and capabilities.

A doubly disrupted generation of youth is emerging in an age of lost opportunity

While the digital leap forward unlocked opportunities for some youth, many are now entering the workforce in an employment ice age. Young adults worldwide are experiencing their second major global crisis in a decade. Already exposed to environmental degradation, the consequences of the financial crisis, rising inequality, and disruption from industrial transformation, this generation faces serious challenges to their education, economic prospects and mental health.

According to the GRPS, the risk of "youth disillusionment" is being largely neglected by the global community, but it will become a critical threat to the world in the short term. Hard-fought societal wins could be obliterated if the current generation lacks adequate pathways to future opportunities—and loses faith in today's economic and political institutions.

Climate continues to be a looming risk as global cooperation weakens

Climate change—to which no one is immune—continues to be a catastrophic risk. Although lockdowns worldwide caused global emissions to fall in the first half of 2020, evidence from the 2008–2009 Financial Crisis warns that emissions could bounce back. A shift towards greener economies cannot be delayed until the shocks of the pandemic subside. "Climate action failure" is the most impactful and second most likely long-term risk identified in the GRPS.

Responses to the pandemic have caused new domestic and geopolitical tensions that threaten stability. Digital division and a future "lost generation" are likely to test social cohesion from within borders—exacerbating geopolitical fragmentation and global economic fragility. With stalemates and flashpoints increasing in frequency, GRPS respondents rated "state collapse" and "multilateralism collapse" as critical long-term threats.

REUTERS/ISMAIL

The Global Risks Report 2021   8

Middle powers—influential states that together represent a greater share of the global economy than the US and China combined—often champion multilateral cooperation in trade, diplomacy, climate, security and, most recently, global health. However, if geopolitical tensions persist, middle powers will struggle to facilitate a global recovery—at a time when international coordination is essential—and reinforce resilience against future crises. GRPS respondents signal a challenging geopolitical outlook marked by "interstate relations fracture", "interstate conflict" and "resource geopolitization"—all forecasted as critical threats to the world in three to five years.

A polarized industrial landscape may emerge in the post-pandemic economy

As economies emerge from the shock and stimulus of COVID-19, businesses face a shakeout. Existing trends have been given fresh momentum by the crisis: nationally focused agendas to stem economic losses, technological transformation and changes in societal structure—including consumer behaviors, the nature of work and the role of technology both at work and at home. The business risks emanating from these trends have been amplified by the crisis and include stagnation in advanced economies and lost potential in emerging and developing markets, the collapse of small businesses, widening the gaps between major and minor companies and reducing market dynamism, and exacerbation of inequality; making it harder to achieve long-term sustainable development.

With governments still deliberating how to pivot away from emergency to recovery, and with companies anticipating a changed business landscape, there are opportunities to invest in smart, clean and inclusive growth that will improve productivity and delivery of sustainable agendas.

Better pathways are available to manage risks and enhance resilience

Despite some remarkable examples of determination, cooperation and innovation, most countries have struggled with aspects of crisis management during the global pandemic. While it is early to draw definitive lessons, this edition of the *Global Risks Report* reflects on global preparedness by looking at four key areas of the response to COVID-19: institutional authority, risk financing, information collection and sharing, and equipment and vaccines. It then looks to national-level responses—acknowledging the varied starting points for individual countries—and draws lessons from five domains: government decision-making, public communication, health system capabilities, lockdown management and financial assistance to the vulnerable.

However, if lessons from this crisis only inform decision-makers how to better prepare for the next pandemic—rather than enhancing risk processes, capabilities and culture—the world will be again planning for the last crisis rather than anticipating the next. The response to COVID-19 offers four governance opportunities to strengthen the overall resilience of countries, businesses and the international community: (1) formulating analytical frameworks that take a holistic and systems-based view of risk impacts; (2) investing in high-profile "risk champions" to encourage national leadership and international co-operation; (3) improving risk communications and combating misinformation; and (4) exploring new forms of public-private partnership on risk preparedness.

The Global Risks Report 2021   9

Global Risks
Perception
Survey 2020
Results

The Global Risks Report 2021   10

FIGURE I
Global Risks Horizon

When do respondents forecast risks will become a critical threat to the world?

Legend: ■ Economic ■ Environmental ■ Geopolitical ■ Societal ■ Technological   % of respondents

Clear and present dangers
Short-term risks (0 – 2 years)

Risk	% of respondents
Infectious diseases	58.0
Livelihood crises	55.1
Extreme weather events	52.7
Cybersecurity failure	39.0
Digital inequality	38.3
Prolonged stagnation	38.3
Terrorist attacks	37.8
Youth disillusionment	36.4
Social cohesion erosion	35.6
Human environmental damage	35.6

Knock-on effects
Medium-term risks (3 – 5 years)

Risk	% of respondents
Asset bubble burst	53.3
IT infrastructure breakdown	53.3
Price instability	52.9
Commodity shocks	52.7
Debt crises	52.3
Interstate relations fracture	50.7
Interstate conflict	49.5
Cybersecurity failure	49.0
Tech governance failure	48.1
Resource geopolitization	47.9

Existential threats
Long-term risks (5 – 10 years)

Risk	% of respondents
Weapons of mass destruction	62.7
State collapse	51.8
Biodiversity loss	51.2
Adverse tech advances	50.2
Natural resource crises	43.9
Social security collapse	43.4
Multilateralism collapse	39.8
Industry collapse	39.7
Climate action failure	38.3
Backlash against science	37.8

Source: World Economic Forum Global Risks Perception Survey 2020

The Global Risks Report 2021   11

FIGURE II
Global Risks Landscape

How do respondents perceive the impact ↑ and likelihood → of global risks?

Infectious diseases

Climate action failure

Weapons of mass destruction

Biodiversity loss

Natural resource crises

Human environmental damage

Debt crises

Livelihood crises

Extreme weather

IT infrastructure breakdown

Interstate conflict

Cybersecurity failure

Prolonged stagnation

Social cohesion erosion

Social security collapse

Involuntary migration

Interstate relations fracture

Average 3.40

Asset bubble burst

Digital power concentration

Resource geopolitization

State collapse

Public infrastructure failure

Youth disillusionment

Backlash against science

Commodity shocks

Adverse tech advances

Geophysical disasters

Price instability

Industry collapse

Multilateralism collapse

Tech governance failure

Digital inequality

Mental health deterioration

Terrorist attacks

Illicit economic activity

Impact →

Likelihood →

Average 3.28

Visible area

Risk categories

- ● Economic
- ● Environmental
- ● Geopolitical
- ● Societal
- ● Technological

Methodology

Survey respondents were asked to assess the likelihood of the individual global risk on a scale of 1 to 5, 1 representing a risk that is very unlikely and 5 a risk that is very likely to occur over the course of the next ten years. They also assessed the impact of each global risk on a scale of 1 to 5, 1 representing a minimal impact and 5 a catastrophic impact. To ensure legibility, the names of the global risks are abbreviated.

Source: World Economic Forum Global Risks Perception Survey 2020

Top Risks
by likelihood

1. Extreme weather
2. Climate action failure
3. Human environmental damage
4. Infectious diseases
5. Biodiversity loss
6. Digital power concentration
7. Digital inequality
8. Interstate relations fracture
9. Cybersecurity failure
10. Livelihood crises

Top Risks
by impact

1. Infectious diseases
2. Climate action failure
3. Weapons of mass destruction
4. Biodiversity loss
5. Natural resource crises
6. Human environmental damage
7. Livelihood crises
8. Extreme weather
9. Debt crises
10. IT infrastructure breakdown

The Global Risks Report 2021   12

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Risk and Assurance Committee Meeting

Item 5

Te Rārangi Take

Report to Risk and Assurance Committee

Nā: From:	**Jennie Kuzman, Health and Safety Manager** **Nikola Bass, Health & Safety Partner**

Te Take: Subject:	**Health & Safety Risk Management Update**

1.0   Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

1.1   The purpose of this report is to provide an update to the Committee in regards to the management of Health and Safety risks within Council.

1.2   This report provides information on
  - Contractor Health and Safety Performance for the period 1 September to 30 November 2020.
  - Summary of Internal Health and Safety Audits and Inspection Findings
  - Progress on ISO45001 Internal Gap Analysis
  - Health and Safety Strategic Projects

2.0   Recommendations – *Ngā Tūtohunga*

A)   That the Risk and Assurance Committee receive the report titled Health & Safety Risk Management Update dated 2 February 2021.

3.0 Background – *Te Horopaki*

3.1 The purpose of this report is to provide information to the Committee in regards to the management of Health and Safety risks within Council.

3.2 This issue arises due to the Health and Safety at Work Act 2015 and the requirement of that legislation for Elected Members to exercise due diligence to ensure that Council complies with its Health and Safety duties and obligations.

4.0 Discussion – *Te Matapakitanga*

4.1 **Contractor Health & Safety Performance**

4.2 To assist Elected Members in undertaking their due diligences requirements in regards to the management of Contractor Health and Safety risks, reports covering the Health and Safety performance of those Contractors working under Council's 10 highest-risk term contracts, are provided to the Committee on a regular basis.

4.3 The report for the period 1 September to 30 November 2020 is attached (attachment one) and includes Health and Safety performance indicator scores for each of the Contractors working under Council's 10 highest-risk term contracts. These contracts are long term and the activities undertaken within these contracts collectively cover all of Council's critical Health and Safety risks.

4.4 The 10 contractors in alphabetical order are:

- **Allied Security Ltd** (After Hours Security Contract) - *NEW CONTRACT*
- **Armourguard Ltd** (Noise Control Contract)
- **City Care Ltd** (Water Services Maintenance Contract)
- **Downer Ltd** (Urban Road Maintenance Contract)
- **Fulton Hogan Ltd** (Rural Road Maintenance Contract)
- **Gemco Ltd** (Toitoi Redevelopment Contract)
- **JJ's Waste & Recycling** (Municipal Waste Collection Contract)
- **M.W. Lissette Ltd** (Landfill Civil Works Contract)
- **Recreational Services Ltd** (Parks, Open Spaces and Amenities Maintenance Contract)
- **Smart Environmental Ltd** (Municipal Recycling Collection Contract)

4.5 Commentary regarding trends and analysis is included within this contractor performance report.

4.6 **Internal Health & Safety Facility Inspection Progress**

4.7 On an annual basis, the Health and Safety Team undertakes an internal inspection for Health and Safety Compliance for 18 staffed Council facilities ranging in diversity from the civic administration building, Landfill, Libraries, Animal Welfare Centre and aquatic facilities.

4.8 To date, 15 of the 18 facilities have had inspections completed with the remainder to be completed by early February.

4.9 Whilst no critical safety concerns were raised during the inspections and the vast majority of findings show compliance, there were some common issues identified including:
- Electrical Testing/Tagging – some not completed/incomplete
- Fire Extinguisher Testing – some not completed/incomplete
- Emergency Preparedness – some drills overdue, staff lacking knowledge /training
- Hazardous substances – some inventories incomplete, missing safety data sheets, incorrect storage
- Personal Protective Equipment – some in poor condition/unsuitable
- Storage & Housekeeping – some items being stored in work areas creating trip hazards, unsecured shelving and cluttered storage areas.

4.10   Corrective action plans have been developed for each facility to ensure appropriate and timely actions are taken to mitigate these issues. Progress towards completion of these action plans are being tracked within Risk Manager (electronic Health and Safety system) and closely monitored by the Health and Safety Team. A cross-council approach is being developed for the Electrical Testing/Tagging and Fire Extinguisher Testing.

4.11   Additionally, annual inspections undertaken by an independent Health and Safety Consultant are scheduled to be undertaken in April 2021. A summary report of the independent inspection findings will provided to the Committee once completed.

4.12   **ISO/NZ Standard 45001:2018 (Health and Safety Management Systems) Gap Analysis Progress**

4.13   At the July 2020 Meeting, the Risk & Assurance Committee supported an internal review of Council's Health and Safety systems, led by the Health & Safety Manager, to determine what would be required to meet the ISO/ NZS 45001:2018 Health and Safety Management Standard (essentially an internal gap analysis). It was agreed that progress updates would be provided to the Committee.

4.14   The Health and Safety Management systems Standard is set out in sections as follows:

4.15   *ISO 45001:2018 Table of Contents*

Section:	
1	**Scope**
2	**Normative References**
3	**Terms and Definitions**
4	**Context of the Organisation**
5	**Leadership and Worker Participation**
6	**Planning**
7	**Support**
8	**Operation**
9	**Performance Evaluation**
10	**Improvement**

4.16   Sections 1-3 of the standard set out the scope and definitions of terms within the standard, with the effective audit criteria beginning from Section 4 (context of the organisation).

4.17   A review of the criteria set out in section 4 (covering the context of the organisation and its stakeholders, and the scope of the Occupational Health and Safety Management System) has been completed and it is the Health and Safety Manager's assessment that Council would be able to demonstrate compliance with this section of the standard.

4.18   Work is currently underway on assessing section 5 (Leadership and Worker Participation) and section 6 (Planning – which covers actions to address risks and opportunities) across the organisation, a summary of the findings will be provided to the Committee at its next meeting.

4.19   **Health and Safety Strategic Projects underway**

4.20   Whilst there are a number of proactive activities underway across the organisation to improve Health and Safety within Council, it is important to recognise two strategic Health and Safety projects that are in progress to improve the management some of Council's critical Health and Safety risks. These two projects are 1. the overhaul and implementation of a new Permit to Work system and 2. the introduction of an organisational Work-related Stress Management Framework.

4.21   **Permit to Work Framework**

4.22   The introduction of an consistent streamlined Permit to Work System for high risk activities will ensure more effective management of the following critical safety risks which impact upon staff, contractors and public safety:
   • Risk of serious health effects from exposure to asbestos
   • Risk of fatality when working in confined spaces

- Risk of fatality when working at height, resulting from a fall from height or a falling object
- Risk of fatality when working in excavations
- Risk of fatality from loss of containment and/or exposure to a hazardous substance

4.23 The framework for the system has been drafted in consultation with affected teams and incorporating good practice guides from WorkSafe and Industry. Further consultation is now underway with all affected staff in accordance with Health and Safety worker engagement regulations. This process will ensure that the final framework that is implemented will be practical and work effectively and consistently across Council.

4.24 Progress towards implementation of the improved Permit to Work System will be reported to the Committee.

4.25 **Work-Related Stress Management**

4.26 The impact of stress and other mental health issues in the workplace have been identified as significant Health and Safety risk for some time and in particular the risk of serious health effects from exposure to work factors causing stress is identified as one of Council's critical Health and Safety risks.

4.27 Over the past two years, Council has implemented a range of tools to support staff Mental Health and Wellbeing including the introduction of the Mauri tū Mauri ora (wellbeing) programme, and mandatory Mental Health Matters training for all staff.

4.28 During 2020, a review of Council's Stress Policy was undertaken. A new Work-related Stress Management policy was developed and finalised in late 2020 (a copy of the new policy is attached). This updated policy is based upon the UK management standards for work-related stress and was developed with feedback from staff and unions.

4.29 Work is now underway to develop tools and training programmes for staff to use which compliment this policy. This work will be undertaken in consultation with staff and regularly reviewed for effectiveness.

4.30 Progress towards implementation of the Work-related Stress Management Framework will be reported to the Committee.

Attachments:

1⇩	Health & Safety Contractor Performance Report - 1 September - 30 November 2020	HR-03-11-4-21-176
2⇩	Work-related Stress Management Policy - Final Draft - 26 November 2020	HR-03-02-2-20-41

Health & Safety Contractor Performance Report

1.   Leading Indicators: Health & Safety Observations 1 September – 30 November 2020[1]

Contractor	Contract	Excellent	Good	Fair	Poor	Total
Allied Security*	Afterhours Security	0	0	0	0	0
Armourguard	Noise Control	1	2	0	0	3
City Care	Water Services Maintenance	16	1	1	0	18
Downers	Urban Road Maintenance	16	8	4	1	29
Fulton Hogan	Rural Road Maintenance	2	1	2	0	5
Gemco Construction	Toitoi Redevelopment	7	0	1	2	10
HSM Group*	Afterhours Security & Afterhours Animal Control	0	0	0	0	0
JJ's Waste & Recycling	Municipal Waste Collection	1	0	0	0	1
M W Lissette	Landfill Civil Works	1	2	0	1	4
Recreational Services	Parks, Open Spaces and Amenities Maintenance Contract	6	1	0	1	8
Smart Environmental	Municipal Recycling	22	4	0	0	26

---

[1] Current as of 14 January 2021 as entered into Council's H&S System

Safety Observations: 1 Sep - 30 Nov 2020
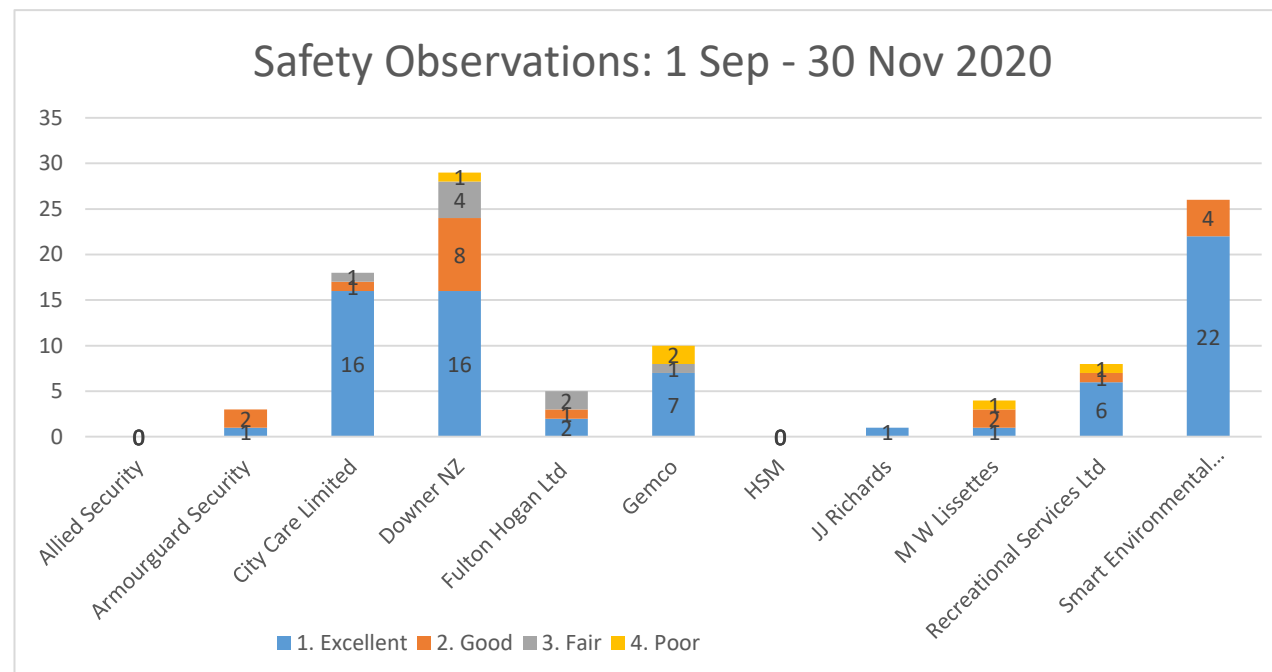
These are proactive observations undertaken by HDC staff of contractor workers undertaking tasks associated with the HDC contract works.

●

This key indicator measures both the quality of the work being undertaken by contractors and the quantity of observations being undertaken of these contracts by HDC Staff.
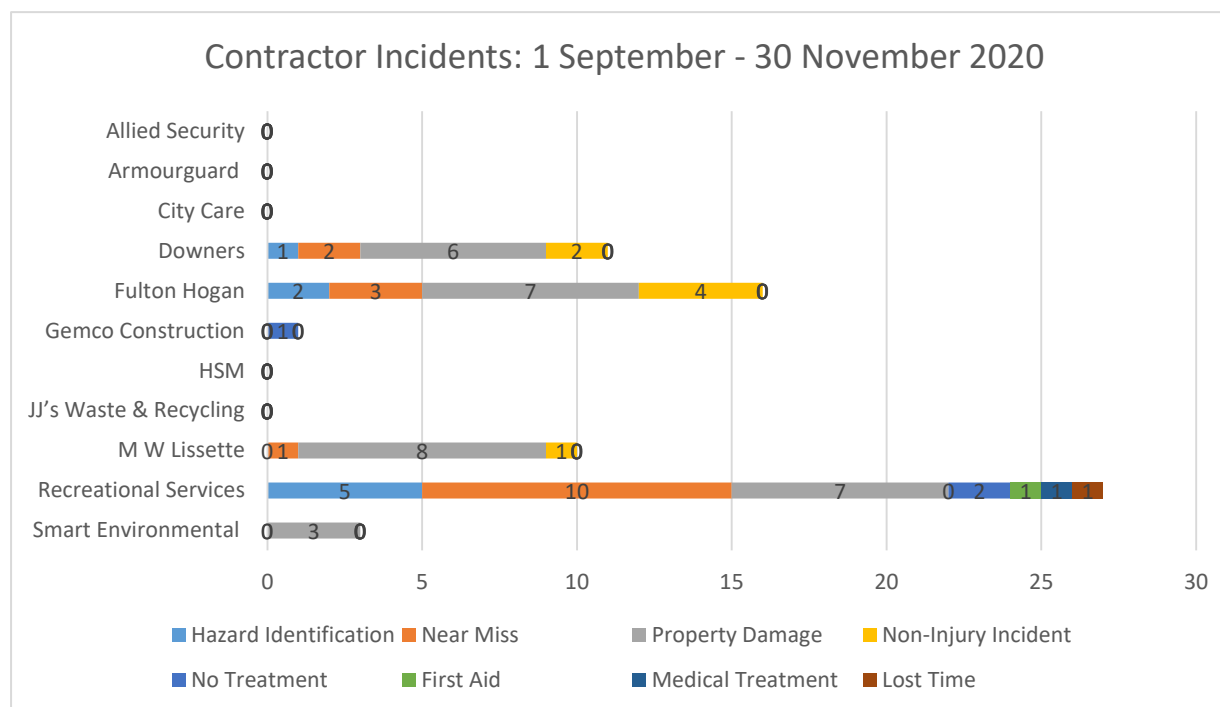
●

The vast majority of observations have shown the work to be of a good or excellent H&S standard.

●

* After hours Security contract was awarded to Allied Security from 18 September 2021.

2.

Lagging Indicators: Health & Safety Incidents Reported – 1 September – 30 November 2020

Contractor	Hazard Identification	Near Miss	Property Damage	Non-Injury Incident	No Treatment	First Aid	Medical Treatment	Lost Time
Allied Security	0	0	0	0	0	0	0	0
Armourguard	0	0	0	0	0	0	0	0
City Care	0	0	0	0	0	0	0	0
Downers	1	2	6	2	0	0	0	0
Fulton Hogan	2	3	7	4	0	0	0	0
Gemco Construction	0	0	0	0	1	0	0	0
HSM Group	0	0	0	0	0	0	0	0
JJ's Waste & Recycling	0	0	0	0	0	0	0	0
M W Lissette	0	1	8	1	0	0	0	0
Recreational Services	5	10	7	0	2	1	1	1
Smart Environmental	0	0	3	0	0	0	0	0

Contractor Incidents: 1 September - 30 November 2020

Contractor	Incidents
Allied Security	0
Armourguard	0
City Care	0
Downers	1, 2, 6, 2, 0
Fulton Hogan	2, 3, 7, 4, 0
Gemco Construction	0, 1, 1, 0
HSM	0
JJ's Waste & Recycling	0
M W Lissette	0, 1, 8, 1, 0
Recreational Services	5, 10, 7, 0, 2, 1, 1, 1
Smart Environmental	0, 3, 0

Legend:
- Hazard Identification
- Near Miss
- Property Damage
- Non-Injury Incident
- No Treatment
- First Aid
- Medical Treatment
- Lost Time

-
- These are incidents reported by contractor workers undertaking tasks associated with the HDC contract works.
- It is important to regularly review incidents to understand causes and implement appropriate corrective actions. Good reporting of hazards and near misses can reduce the potential for more severe incidents.
- Improved contractor reporting this period but not all contractors are reporting to the desired standard. With four contractors are reporting to the desired standard – Downers, Fulton Hogan, MW Lissette and Recreational Services. Continued improvement needs to be made in collecting the information from other contractors.

● Work-related Stress Management Policy

Hastings District Council is committed to protecting the health, safety and wellbeing of our employees. We recognise that work-related stress is a health and safety issue and acknowledge the importance of identifying and reducing workplace stressors.

This policy specifically addresses work-related stress. For other causes of stress (which are not related to work) such as stress caused by breakdown of personal relationships or personal finances, the Fit-for-Work and Rehabilitation Policy and/or the Mauri tū Mauri ora (Wellbeing) Framework are more appropriate.

Defining 'Work-related Stress'

Work-related stress describes an employee's stress response to work-related factors. These responses may be physical, mental, emotional or behavioural.

There is often confusion between challenge/pressure and stress in the workplace. While challenge at work can have positive effects on people, work-related stress is a work-related health issue that can pose risks to health.

In the short term, stress may not be harmful. But if a stressful situation goes on, it can affect employee health and wellbeing in ways such as:

- **physical effects**, like headaches, indigestion, tiredness, slow reactions, shortness of breath, change in body weight and over the longer term, physical illness

- **mental effects**, like difficulty in decision-making, forgetfulness

- **emotional effects**, like irritability, excess worrying, feeling worthless, anxiety, defensiveness, anger, mood swings

- **Behavioural effects**, like diminished performance, withdrawal behaviours, impulsive behaviour, increase in alcohol and nicotine consumption, changes to appetite (loss of appetite or binge eating).

- **longer-term health issues**, like musculoskeletal disorders, cardiovascular disease, immune deficiency disorders, gastrointestinal disorders, psychiatric/psychological illness

Managing Work-related Stress

Council will ensure that workplace stressors are identified and will put in place measures to eliminate or control the risks from stress.

Council will ensure the following actions are undertaken to assist with controlling work-related stress

- Provide training for all Managers and Team Leaders in good management practices.

- Provide access to confidential counselling for staff affected by stress caused by work

- Provide adequate resources to enable Managers and Team Leaders to implement measures to control the risks from work-related stress

- Consult with employees on proposed action relating to the prevention of work-related stress.

Responsibilities

The Chief Executive and Lead Team shall ensure that:

- Managers and Team Leaders have the capability and knowledge to identify, understand and support employees who may be feeling stressed as a result of work

- Policies are in place to prevent or resolve unacceptable behaviour.

- Managers consult employees in decisions that may impact their health and safety, and have processes to enable workers to raise issues and concerns they might have.

- This policy, and any supporting procedures and control measures are regularly reviewed for effectiveness.

  -

Team Leaders & Managers will

- Lead by example - following good management practices.

- Ensure good communication between management and staff, particularly where there are organisational and procedural changes.

- Ensure staff are fully trained to undertake their duties.

- Ensure staff are provided with meaningful developmental opportunities.

- Monitor workloads to ensure that staff are not overloaded. Monitor working hours and overtime to ensure that staff are not overworking. Monitor holidays to ensure that staff are taking their full entitlement.

- Listen and take appropriate actions (including seeking guidance from H&S staff) when staff raise concerns around work-related stress.

  -

Health & Safety Staff will

- Provide guidance and support to managers in developing and implementing control measures for work-related stress risks.

- Provide specialist advice and awareness training on work-related stress.

- Refer employees to counsellors or specialist agencies as required.

- Support individuals who have been off sick with work-related stress and advise them and their manager on a safe plan for return to work.

- Monitor and review the effectiveness of measures to reduce work-related stress.

- Inform the Lead Team of any changes and developments in the field of work-related stress.

Employees will

- Raise issues of concern with your Health & Safety Representative, Team Leader/Manager or Health & Safety Team.

- Accept opportunities for counselling when recommended.

General Requirements

Because each work situation is different, taking a blanket approach to managing work-related stress risks is not always appropriate. Instead Managers are directed to work with employees and the Health and Safety team to review the risks and develop suitable controls that are specific to the work team and work environment.

References

- Health and Safety at Work Act 2015

- WorkSafe NZ Guidance: Work-related Stress

- Health & Safety Executive UK Guidance: Stress

- Worksafe Victoria (Australia) Guidance: Work-related Stress

- HDC Mauri tū Mauri ora (Wellbeing) Framework (HPRM:HR-03-3-5-19-2)

- HDC Fit-for-Work and Rehabilitation Policy (HPRM: HR-03-2-2-17-27)

Te Rārangi Take

Report to Risk and Assurance Committee

Nā: From:	**Aaron Wilson, Financial Controller**
Te Take: Subject:	**Treasury Activity and Funding Update**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

1.1 The purpose of this report is to update the Subcommittee on treasury activity and funding issues.

1.2 Since the last update in September, Council has borrowed a further $20m from the Local Government Funding Agency (LGFA).

1.3 The Council's current total external debt is $185m as at 31 December 2020. Offsetting this are $40m of term deposits, giving a net external debt position of $145m.

1.4 Council is currently compliant with its Treasury Management Policy.

1.5 Officers have been working with Bancorp Treasury Services about future funding requirements, and reviewing the Council's Treasury Policy (see separate report concerning this matter).

1.6 Officers have, after discussions and advice from Bancorp, opened an account with the Bank of China, this is to allow better access to competitive interest rates on term deposit investments. Bank of China has an "A" Credit rating.

1.7 The Reserve Bank of New Zealand (RBNZ) left its Official Cash Rate (OCR) at 0.25% at its 11th November 2020 review.

2.0 Recommendations – *Ngā Tūtohunga*

A) That the Risk and Assurance Committee Meeting receive the report titled Treasury Activity and Funding Update dated 2 February 2021.

3.0 Background – *Te Horopaki*

3.1 The Hastings District Council has a Treasury Policy which is a summarised version of the Treasury Management Policy and forms part of the 2018-2028 Long Term Plan. Under these policy documents, responsibility for monitoring treasury activity is delegated to the Risk and Assurance Committee.

3.2 Council is provided with independent treasury advice by Miles O'Connor of Bancorp Treasury Services and receives daily and monthly updates on market conditions.

3.3 Under the Treasury Policy, formal reporting to Council occurs quarterly and regular more in depth treasury reporting is provided for the Risk and Assurance Committee.

4.0 Discussion – *Te Matapakitanga*

4.1 Council's debt portfolio is managed within macro limits set out in the Treasury Policy. It is recognised that from time to time Council may fall out of policy due to timing issues. The treasury policy allows for officers to take the necessary steps to move Council's funding profile back within policy in the event that a timing issue causes a policy breach.

4.2 Attachment 1 sets out Council's overall compliance with Treasury Management Policy as at 31 December 2020.

4.3 The Council's current total external debt is $185.74m as at 31 December 2020. Offsetting this are $40m of term deposits, giving a net external debt position of $145.74m. This is supported by the Treasury Position 31 December 2020 Report in Attachment 1.

4.4 It should also be noted on the Treasury position dashboard, Council's cost of funds has fallen from 3.57% as at the end of the last financial year to 2.67%, driven by an increasing proportion of floating rates.

4.5 Recent Borrowings: On 12th October Council borrowed $20m this amount was borrowed from the Local Government Funding Agency (LGFA) at a floating rate of Bank Bill 90 day Benchmark Rate (BKBM) (currently 0.27% pa) plus a margin. The details are as follows:

Draw Date	Amount	Margin	Effective Interest Rate	Maturity Date
12/10/2020	$10m	0.6050%	0.8750%	15/04/2028
12/10/20209	$10m	0.6450%	0.9150%	20/04/2029

4.6 Council has 5 active term deposits totalling $40m with rates ranging from 0.95% pa to 1.41% pa. $20m of these are linked to a loan maturity in May 2021, and the remaining $20m is held as funding for future capital expenditure.

4.7 As the BKBM has fallen, the margin between what Council can borrow at and what it can receive as a return on term deposits has narrowed significantly. With Council only having two banks that it can invest with, and an investment cap of $20m per bank, officers after discussions with treasury advisors Bancorp approached Bank of China to open an account.

4.8 The need for prefunded funds is an important factor in Standard and Poors Global (S&P), rating agency's assessment of Council. The current rating of AA allows Council to borrow at a lower interest rate than would be the case with a lower rating.

4.9 Recent RBNZ announcements: The RBNZ left its Official Cash Rate (OCR) at 0.25% at its 11th November 2020 review.

5.0 Next steps – *Te Anga Whakamua*

5.1 Council Officers will continue to work with Bancorp Treasury Services to keep Council's financing costs to a minimum, maintaining adequate liquidity, while maintaining compliance with Council's Treasury policy.

Attachments:

1 ⇩   Treasury Dashboard 31st December 2020   FIN-15-01-21-21

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

This report contributes to the purpose of local government by primarily promoting economic wellbeing and more specifically through the Council's strategic objective of sustainable use of resources and providing resilience to hazards and shocks.

Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This report promotes the economic wellbeing of communities in the present and for the future.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

There are no known impacts for Tangata Whenua.

Sustainability - *Te Toitūtanga*

This report promotes sustainable financing costs ensuring the economic wellbeing of communities in the present and for the future.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

This report will ensure that financing costs are kept within Council's existing budgets.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

This report has been assessed under the Council's Significance and Engagement Policy as being of minor significance.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho*

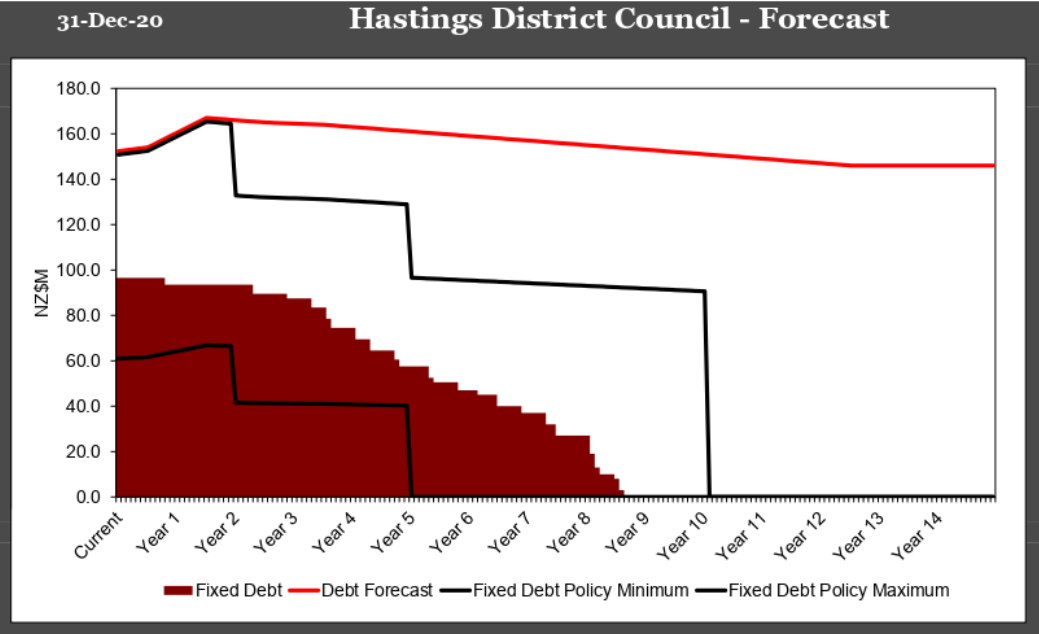There has been no external engagement.

Risks

The purpose of this report and the Treasury Policies it refers to, assist officers to manage Council's treasury risk.

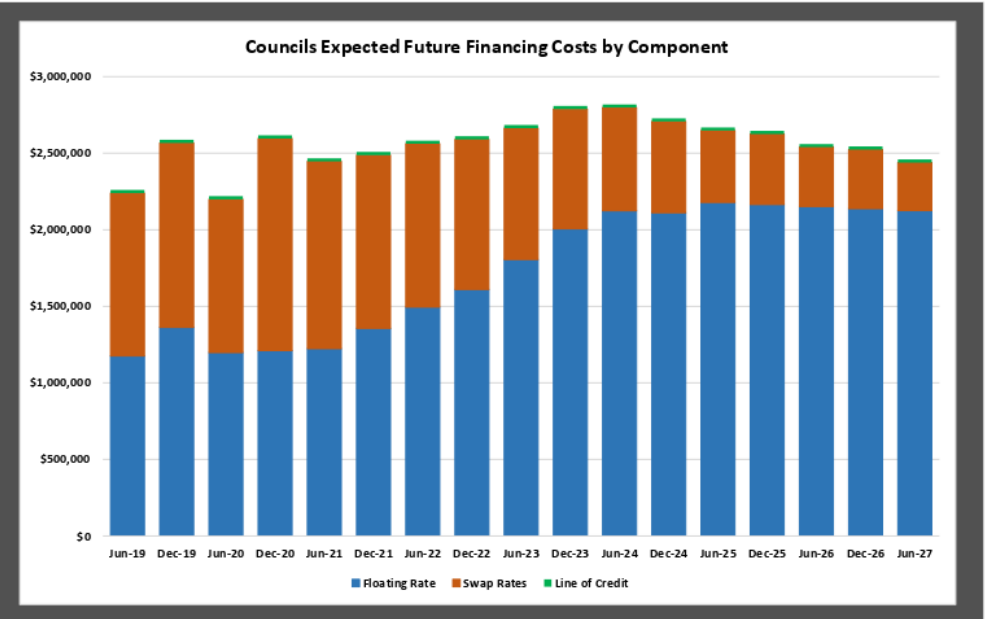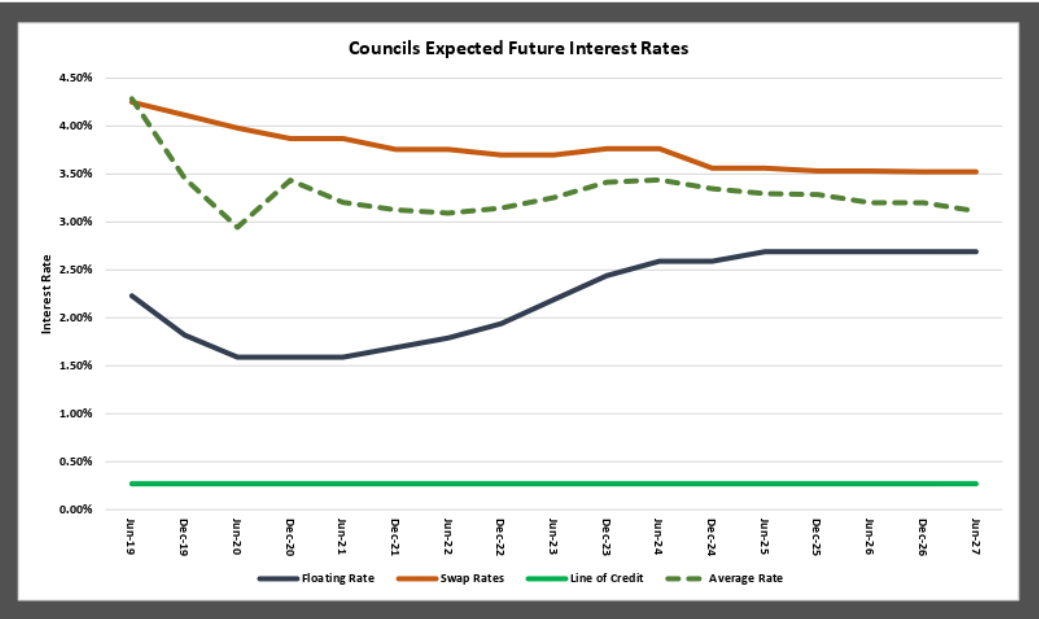## Rural Community Board – *Te Poari Tuawhenua-ā-Hapori*

There are no implications for the Rural Community Board.

# Interest Rate Risk Position

31 December 2020

Hastings District Council - Forecast (31-Dec-20)

Legend: Fixed Debt — Debt Forecast — Fixed Debt Policy Minimum — Fixed Debt Policy Maximum

Debt Interest Rate Policy Parameters
(calculated on rolling monthly basis)

Debt Period Ending	Debt Forecast	Minimum %	Maximum %	Actual	Compliant (Y/N)
Current	186	40%	99%	52%	Yes
Year 1	161	40%	99%	58%	Yes
Year 2	166	25%	80%	56%	Yes
Year 3	165	25%	80%	53%	Yes
Year 4	163	25%	80%	46%	Yes
Year 5	161	0%	60%	36%	Yes
Year 6	159	0%	60%	30%	Yes
Year 7	157	0%	60%	24%	Yes
Year 8	155	0%	60%	17%	Yes
Year 9	153	0%	60%	0%	Yes
Year 10	151	0%	60%	0%	Yes
Year 11	149	0%	0%	0%	Yes
Year 12	147	0%	0%	0%	Yes
Year 13	146	0%	0%	0%	Yes
Year 14	146	0%	0%	0%	Yes
Year 15	146	0%	0%	0%	Yes

Weighted Avg Cost of Fixed Rate Instruments: 3.87%
Value of Live Fixed Rate Instruments: $ 96,500,000
Weighted Avg Length of Fixed Rate Instruments: 5.82 Years

Councils Expected Future Interest Rates

Legend: Floating Rate — Swap Rates — Line of Credit — Average Rate

Councils Expected Future Financing Costs by Component

Legend: Floating Rate — Swap Rates — Line of Credit

Cost of Holding Fixed Interest Position

	31-Dec-20			30-Jun-20			Movement for Year		
	Notional Swap Value	Avg Int Rate	Valuation	Notional Swap Value	Avg Int Rate	Valuation	Notional Swap Value	Avg Int Rate	Valuation
Live Interest Rate Swaps	88,500,000	4.00%	(11,309,475)	80,500,000	4.14%	(10,915,528)	8,000,000	(0.14%)	(393,947)
Forward Starting Interest Rate Swaps	39,500,000	4.25%	(4,975,904)	53,500,000	3.93%	(7,846,533)	(14,000,000)	0.31%	2,870,629
Total Interest Rate Swaps	128,000,000	4.08%	(16,285,379)	134,000,000	4.06%	(18,762,061)	(6,000,000)	0.02%	2,476,682

Average Cost of Funds

	31-Dec-20		30-Jun-20		Movement for Year	
	Notional Value	Avg Int Rate	Notional Value	Avg Int Rate	Notional Value	Avg Int Rate
Fixed Rate Loans with LGFA	8,000,000	2.37%	8,000,000	2.37%	0	0.00%
Floating Rate Loans with LGFA	177,000,000	0.81%	147,000,000	2.26%	30,000,000	(1.45%)
Live Interest Rate Swaps	88,500,000	4.00%	80,500,000	4.14%	8,000,000	(0.14%)
Westpac Lines of Credit	15,000,000	0.27%	15,000,000	0.27%	0	0.00%
Fixed Rate Loans with HNZ	740,000	0.00%	740,000	0.00%	0	0.00%
Total External Loans / Average Cost of Borrowing	185,740,000	2.67%	155,740,000	3.57%	30,000,000	(0.90%)

Funding and Liquidity Risk Position   31 December 2020
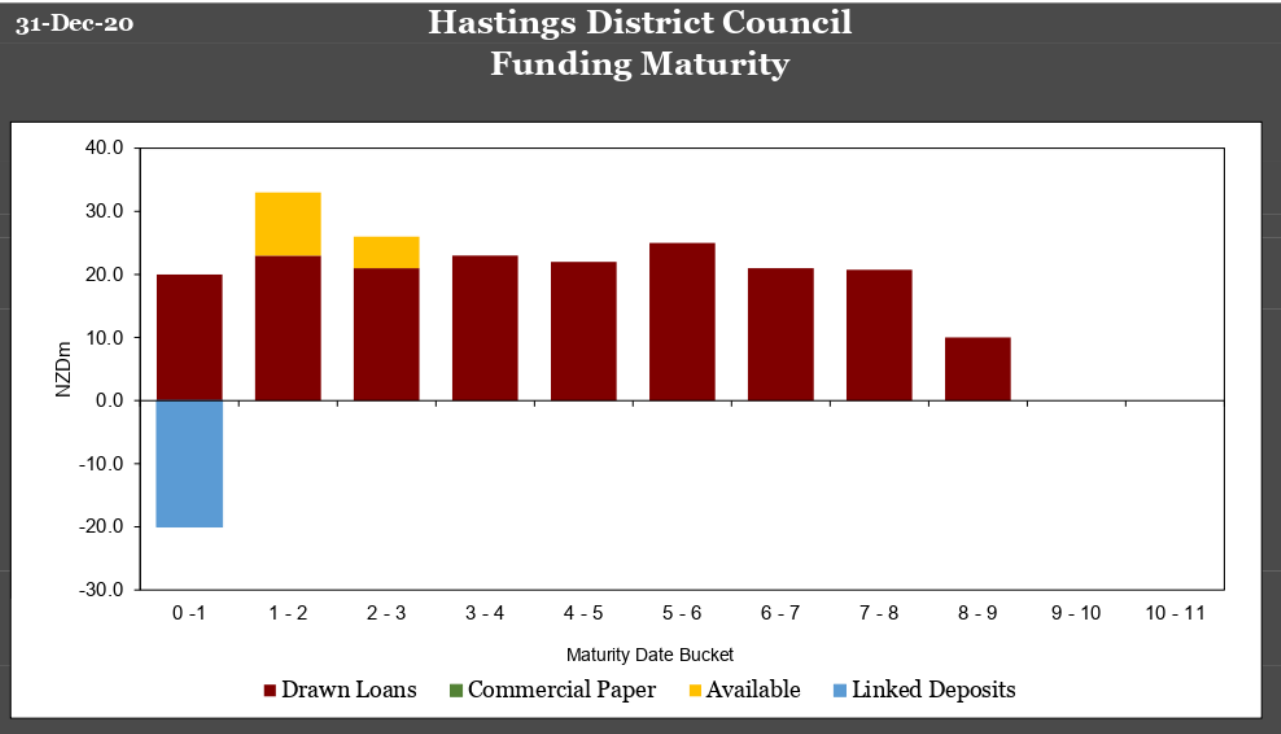
Funding KPI's

	Minimum %	Maximum %	Actual	Compliant (Y/N)
Liquidity	110%	170%	119%	Yes
Fixed Interest Debt	40%	99%	52%	Yes
Funding Maturity Profile				
0-1 Year	0%	33%	18%	Yes
1-2 Year	0%	33%	15%	Yes
2-3 Year	0%	33%	12%	Yes
3-4 Year	0%	33%	10%	Yes
5-6 Year	0%	33%	10%	Yes
6-7 Year	0%	33%	11%	Yes
7-8 Year	0%	33%	10%	Yes
8-9 Year	0%	33%	9%	Yes
9-10 Year	0%	33%	5%	Yes
10-11 Year	0%	33%	0%	Yes
Net Debt as % Equity		20%	7%	Yes
Net Debt as % Income		150%	101%	Yes
Net Interest as % Income		15%	4%	Yes
Net Interest as % of Rates		20%	6%	Yes

Composition of Counterparties
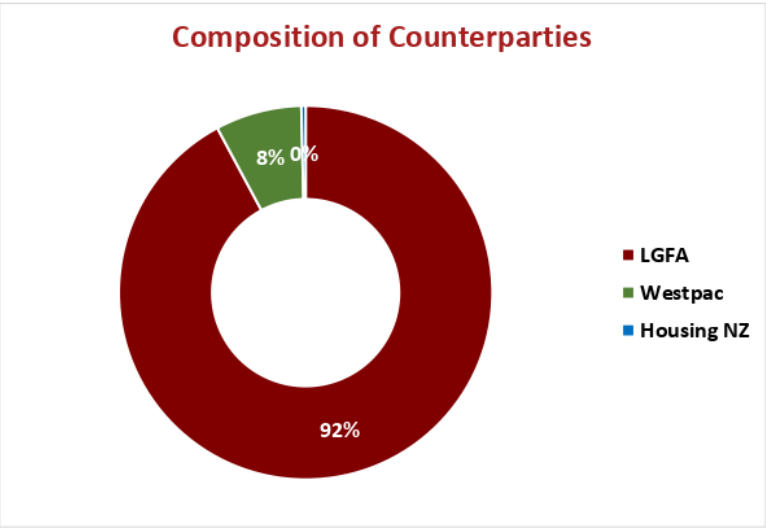
Funding and Liquidity Characteristics

185,740,000 Total External Council Drawn Debt

185,000,000 Funds Drawn from LGFA

15,000,000 Undrawn Bank Facilities

40,000,000.00 Term Deposits

1.19 LIQUIDITY RATIO
Definition: (Cash Reserves + Lines of Credit + Drawn Debt) / Drawn Debt

4.29 Years Weighted Average Length of Funding
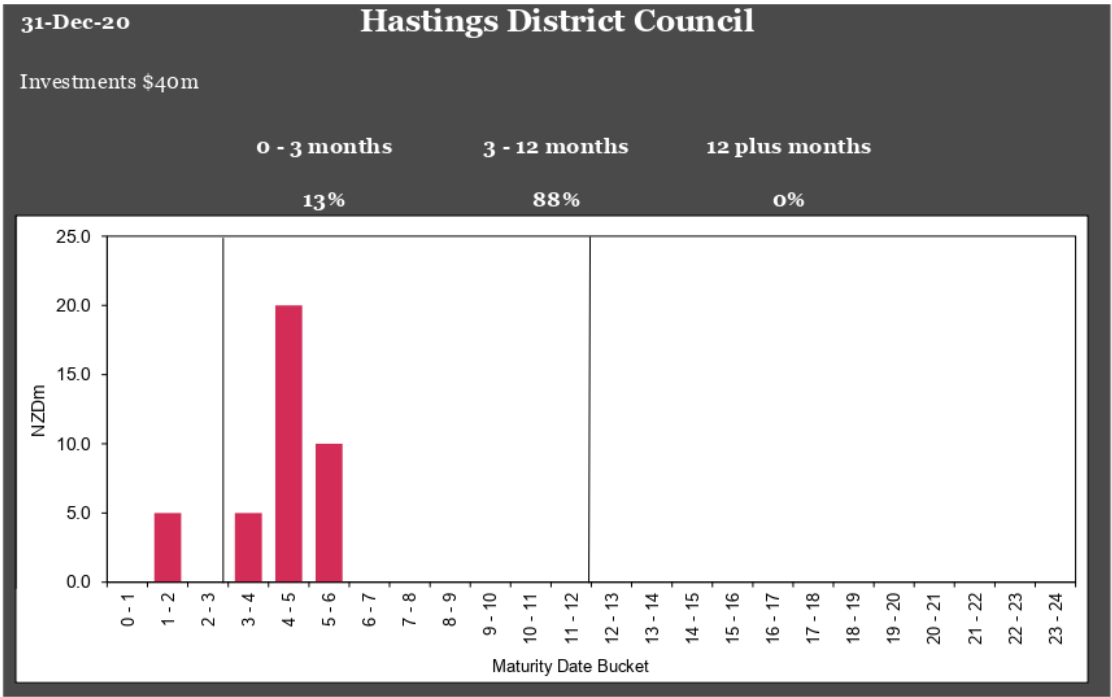
Te Rārangi Take

Report to Risk and Assurance Committee

Nā: From:	**Aaron Wilson, Financial Controller**
Te Take: Subject:	**Annual Review of Treasury Management Policy**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

1.1 The purpose of this report to undertake a review of Council's Treasury Management Policy.

1.2 This report looks at Councils officer's review of Treasury Policy and what proposed changes to the policy have been recommended.

1.3 A detailed review of the Treasury management policy was completed in conjunction with Bancorp, Council's Treasury advisors in February 2020. This resulted in changes to daily transaction limits, definitions of liquid assets, the fixed and floating debts limits, the maturity profile of external debt, and changes to interest cost benchmarks.

1.4 On reviewing the Treasury policy this year, officers feel apart from one limit change that has been recommended by Council at an LTP workshop on the 8th December 2020, the policy is fit for purpose.

1.5 The change that was to adjust the net external debt as a percentage of income from 150% up to 175%, based on the 2021/2031 Long Term Plan (LTP) requirements and the need for some contingency in the event of an emergency.

2.0 Recommendations – *Ngā Tūtohunga*

A) That the Risk and Assurance Committee Meeting receive the report titled Annual Review of Treasury Management Policy dated 2 February 2021.

B) That the Committee approves the proposed changes to the Treasury Management Policy and forwards it to Council for adoption.

3.0   Background – *Te Horopaki*

3.1   Hastings District Council has a Treasury Management Policy which has the aim of minimising the Council's costs and risks in the management of its external borrowings and maximise its return on investments.

3.2   It is a requirement of the Local Government Act 2002 Section 102 [2] that all Councils have a Liability Management Policy and an Investment Policy. Hastings District Council has chosen to incorporate these policies into a single policy entitled Treasury Management Policy.

3.3   Until July 2019 Council's treasury advisor was PriceWaterhouse Coopers. As a result of a RFP process Council has changed its Treasury Advisors to Bancorp Treasury.

4.0   Discussion – *Te Matapakitanga*

4.1   A detailed review of the Treasury management policy was completed in conjunction with Bancorp, Council's Treasury advisors in February 2020.

4.2   This resulted in changes to daily transaction limits, definitions of liquid assets, the fixed and floating debts limits, the maturity profile of external debt, and changes to interest cost benchmarks. The changes also simplified the policy, without significantly changing the risk profile of the policy.

4.3   Officers have reviewed the document this year and have found that the changes and improvements to the narrative that were made were still fit for purpose and relevant.

4.4   Over the last few months, officers have been working with Council to complete the LTP 2021/2031. As the plan has become clearer, with decisions made as to what areas in the capital programme will require investment and in what year, so has the funding of the capital programme and to what level of debt will need to be incurred over the 10 year period.

4.5   External debt is forecast to rise to over the next 10 year period putting pressure on the current policy limit of 150% of revenue. In years 3 – 5 external debt is predicted to be at the maximum limit of the 150% current policy limit, which would leave no room for any emergency or urgent debt to be taken on.

4.6   In moving the policy limit of net external debt to 175% of revenue, this would allow between $33m – $57m of contingency headroom. Council at the LTP workshop on 8th December recommended that officers bring this to the Risk and Assurance committee for consideration and advice for Council prior to the adoption of the draft LTP.

5.0   Options – *Ngā Kōwhiringa*

5.1   The Risk and Assurance Subcommittee can choose to adopt the proposed change to increase the HDC Policy Limit from 150% of net external debt to revenue.

6.0   Next steps – *Te Anga Whakamua*

6.1   The updated policy will be taken to the Operations and Monitoring Committee for ratification and adoption.

Attachments:

There are no attachments for this report.

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

This report contributes to the purpose of local government by primarily promoting economic wellbeing and more specifically through the Council's strategic objective of protecting Council's assets and efficient use of public funds.

Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the economic wellbeing of communities in the present and for the future.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

There are no known impacts on Tangata Whenua of adopting the revised Treasury Management Policy.

Sustainability - *Te Toitūtanga*

There is no impact on sustainability of adopting the revised Treasury Management Policy.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

There is no financial impact of adopting the revised Treasury Management Policy.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

This report has been assessed under the Council's Significance and Engagement Policy as being of minor significance.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho*

Apart from consultation between officers and Council's treasury advisers, no other consultation has occurred on this matter. Any changes to the policy will be included in the draft 2021-2031 Long Term Plan which will be consulted on with the community through April 2021.

Risks

There are no implications.

Rural Community Board – *Te Poari Tuawhenua-ā-Hapori*

There are no implications.

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Risk and Assurance Committee Meeting

Item 8

Te Rārangi Take

Report to Risk and Assurance Committee

Nā:
From: **Bruce Allan, Group Manager: Corporate**

Te Take:
Subject: **Group Manager Corporate Quarterly Update**

1.0   Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

1.1   The purpose of this report is to provide the Committee with an update on matters of interest to the Committee that are not included on separate agenda items for this meeting.

Insurance Update

1.2   With the change to AON as Council's insurance broker, the renewal dates have changed from 1st July to 1st November each year. Policies have been renewed and cover is in place on all policies. Premiums have been finalised with premium details attached as **Attachment 1**. Premiums have increased by $39,400 or 3.3% on last year. The biggest change made to policies was to implement a loss limit on fire related losses therefore reducing the fire levy payable. The loss limit on buildings included in the material damage policy has been set at $90m which has created a policy saving of approximately $150,000 per annum. Without this adjustment, council would have experienced a much larger increase for 2020/21.

Procurement Update

1.3   On 7th May 2020, our new Procurement Policy and Strategy was adopted by Council. The most significant change was the move from 'value for money' to 'public value', defined as not being solely focused on price, but about getting the best result over the whole life of the goods, services or works. This included the concept of 'sustainable or broader outcomes', being that procurement

can be used to support wider social, economic, cultural and environmental outcomes that go beyond the immediate purchase of goods and services.

1.4 To bring to life and as part of the Regional Procurement Strategy, a Progressive Procurement Toolkit and accompanying Supplier Guide is in development. The toolkit will assist councils in identifying opportunities that support sustainable outcomes through future procurements. Hastings District Council is leading this work in collaboration with the other councils, with an implementation plan currently being worked on.

Digital Exclusion Overview

1.5 Please refer to attached as **Attachment 2** an Internal Report on Digital Exclusion for discussion.

2021-2031 Long Term Plan

1.6 Good progress is being made on finalising the 2021-2031 Long Term Plan with operational and capital budgets being finalised in preparation for the final discussions with Council in February.

1.7 Audit NZ will be on site in late January / early February to audit the Asset Management Plans and Long Term Plan which will be reported to Risk and Assurance when completed.

1.8 At the time of writing the Financial and Infrastructure strategies were being written and are not in a completed enough form to be circulated for this agenda. It is recommended that a LTP special Risk and Assurance meeting be held in early March to take the committee through the more significant components of the LTP prior to Council adopting it for consultation with an aim of providing the committee with all the assurances of a robust and complete process.

Outstanding Actions

1.9 Attached as **Attachment 3** are the outstanding actions from previous Risk and Assurance meetings.

2.0 Recommendations – *Ngā Tūtohunga*

A) That the Risk and Assurance Committee received the report titled Group Manager Corporate Quarterly Update dated 2 February 2021.

Attachments:

1⇩	Digital Exclusion Summary Report	PMD-9-3-21-22
2⇩	2021 Insurance Comparison	IRB-3-20-21-97
3⇩	Status of Actions Sheet	CG-16-57

HASTINGS DISTRICT COUNCIL.
207 Lyndon Road East
Hastings 4122
Private Bag 9002
Hastings 4156

Phone 06 871 5000
Fax 06 871 5100
www.hastingsdc.govt.nz

TE KAUNIHERA O HERETAUNGA

HASTINGS DISTRICT COUNCIL

INTERNAL REPORT

File Ref

To:	Risk & Assurance Committee
From:	**Steffi Bird, Risk Assurance Advisor**
Date:	18 January 2020
Subject:	Summary of Digital Exclusion Issue

The purpose of this report is to provide elected members with an overview of digital exclusion as a national issue and awareness of the activities being undertaken by Hastings District Council to help mitigate the issue in our local community. It is presented for awareness and as a horizon scan item for Councillors.

Background:

- A report was presented at the October Lead Team Assurance meeting summarising a recent Citizens Advice Bureau (CAB) report, Face to Face with Digital Exclusion, with the purpose of being a horizon scan for a potential, future issue.
- The CAB report was focused on the causes and impacts of digital exclusion between communities and New Zealand central government services.
- The presentation of the report in October provided an opportunity to reflect on Council's contribution towards digital exclusion in the community. The Lead Team agreed that Council is in a good position currently by offering services in an inclusive manner, and highlighted a number of activities which are positively contributing towards minimising the impact of digital exclusion in the community.

Summary of report released by Citizens Advice Bureau:

- To summarise the original report:
  - i.   CAB's report highlighted that, in contrast to most assumptions, digital exclusion is seen across all age groups and ethnicities – although Maori and Pacific are disproportionately disadvantaged.
  - ii. Factors contributing to digital exclusion in New Zealand include a lack of access to devices and connectivity, limited digital literacy or general literacy barriers, language barriers, financial barriers (both having the funds and online access to funds), disabilities, lack of desire to be online.
  - iii. For those that are digitally excluded, they are experiencing a significant move towards services only being offered online and are observing non-digital services being continually scaled back.

Hastings District Council's role towards Digital Exclusion:

- It was noted that while the report was focused on central government agencies, the insights were relevant to local government and, in particular, the region, as was witnessed during the first COVID-19 lockdown earlier in 2020.
- Council's direction of continuing to offer a physical customer service option, alongside online services, was agreed to be a well-balanced stance for the diverse groups within our community to access Council services. This is complemented by the HDC libraries and

community centres providing a free service for those that do not have access to a device or connection at home. The CAB report reinforces Council's current position as a desirable approach to servicing the needs of all of our community.

- Beyond considering whether the core services offered by Hastings District Council provide choice to those in our community who may be digitally excluded, Council also undertakes the following proactive activities that are bridging the gap for groups at risk of exclusion – specifically those with English as a second language or a lack of resources. These activities include:

    i. Working with local schools to raise the profile of the community centres, recognising that the usual means of digitally advertising these services is redundant for those digitally excluded.

    ii. Community teams being out on the streets, hosting BBQ's, etc. to reach those that are less able to attend community meetings – whether that be due to age, physically less able, or financially restricted.

    iii. Internal collaboration between the Marketing & Communications and Community Wellbeing & Services (CW&S) teams to plan communication strategies – this can involve the CW&S team helping to identify any gaps in plans, provide advice on the best way of delivering the message (including how they present themselves at engagements to different groups).

    iv. The Marketing & Communications team at HDC have taken a network-to-network approach, working with other community organisations such as Age Concern, to build a database of services that can help share important messages on behalf of Hastings District Council.

    v. There has also been significant work towards translating information for the community, through the Council's Pou Ahurea Matua (Principal Advisor) for Maori language and paid translation services external to Council (including sign language). As an example, for a recent Solid Waste project, the five most common languages of the community were identified and a summary document of the information created in each language for residents.

Summary of 2020/21 Insurance Proposals

Policy Type		2019/20 Actual	2020/21 Budget (12 Mths)	2020/21 Marsh/AON Proposal
Material Damage &	Provides cover for all Council buildings, contents and other property. Does not provide cover for underground services, roads or bridges.	983,135	1,038,579	1,025,515
Business Interruption	Loss resulting from interruption to the business as a result of damage to property insured by the Material Damage Policy. Sum Insured includes revenue as well as increased costs of working.	33,641	47,500	39,117
Less: Premium On Charged Estimate only				-26,523
Net Premium Material Damage & Business Interruption		**$1,016,776**	**$1,086,079**	**$1,038,109**
Motor Vehicle	All vehicles, mobile plant or similar whether owned, borrowed, leased or hired when under care, custody or control of the insured.	53,508	69,804	43,946
Sub Total		**$1,070,284**	**$1,155,883**	**$1,082,054**
Crime Manager	Indemnity for loss through any fraudulent or dishonest act (including theft or criminal damage) committed by an employee or any other person acting alone or in collusion with others.	20,197	30,000	22,714
Personal Accident	Provides cover for death by accident plus scheduled benefits for Mayor, Councillors and Executive Management Team. Payment to Council to cover costs of by-election.	2,167	3,250	2,227
Statutory Liability	The defence costs and fines arising out of an allegation of or breach of any Act of Parliament other than an 'excluded' Act.	23,212	35,000	20,060
Employers Liability	Provides cover for damages & defence costs as a result of any employee sustaining personal injury in the course of their employment.	1,542	2,500	4,560
Museum Fine Arts/Exhibition	Loss or damage to Fine Arts being property of the insured or entrusted to the insured for exhibition.	2,750	3,250	2,920
Overseas Travel Policy	Cover while undertaking overseas travel in connection with business of the insured, including associated private, personal and family travel.	396	500	88
Fees	(Estimated allocation of fees)	20,944	23,038	15,600
Total Commercial Insurance		**$1,141,492**	**$1,253,421**	**$1,150,223**
Professional and Public Liability	For 20/21 and susequent years Liability Insurance is provided by Commercial Liability Insurers through Marsh.	61,201	97,500	91,875
TOTAL		**$1,202,693**	**$1,350,921**	**$1,242,098**

Hastings District Council
Risk and Assurance Committee
Status of Actions Sheet – February 2021

Item No.	Meeting Date	Action	Reporting Officer	Progress	Complete
1	02/07/19	<u>Governance Oversight of Finances</u> • Finance to develop a inhouse training package.	GM:C	Delayed due to COVID-19	
2	27/07/20	<u>Health & Safety Risk Management</u> • Internal audit against ISO 45001:2018 Gap Analysis standard be undertaken with progress reports to Committee.	Jennie Kuzman	Included on February agenda	
3	18/10/20	<u>Risk Assurance</u> • Review Risk Appetite statements in 2021 following adoption of 2021-31 Long Term Plan • Incorporate annual review of growth nodes (industrial and residential) for Committee, focusing on risks being addressed by Council	Regan Smith GM:C	For May meeting For July meeting	
4	18/10/20	<u>Insurance</u> • Provide short summary of insurance cover under catastrophic event situations	GM:C	For February meeting	
5	07/12/20	<u>Long Term Plan</u> • That a futurist be invited to speak in 2021. The CE indicated this may be addressed as part of the council retreat. It was suggested that the Heretaunga Takoto Noa Māori Standing Committee members also be invited to this presentation. (once this approach/retreat programme had been ok'd –			

		Democracy & Governance to be advised through CE's office/Bruce Allan).	CE/GM:C	TBC	
		• Fees and Charges – ensure being amended via small regular amounts (and the level of rating funding needed) so council not fall behind.	Lex V		
		• Rough estimation of effect on council's rates (down to a macro level) from income lost from 3 Waters assets – to be presented to council meeting (8/12/2020).	GM:C	Provided to Council on 8/12/20	Completed
		• Amending council's Treasury Policy – A recommendation come back to R & A meeting on 2 Feb 2021 so council not in breach of policy (150% to increase to 175%)	GM:C/ Karen Young	Included on February agenda	
		• "Deep dive" into asset management plans in Feb 2021 (Jaun Park and Craig Thew to select two areas to work through).	Jaun Park/ Craig Thew	Included on February agenda	
6	07/12/20	**2019/2020 Annual Report** • Feedback to be given to Department of Internal Affairs as part of audit reform – seeking revocation of the current requirement regarding individual recording of subsequent complaints on the same matter, as well as the initial complaint.	Aaron Wilson/ Karen Young	Discussios being held with SOLGM on best way to approach the DIA	

Te Rārangi Take

Report to Risk and Assurance Committee

Nā: From:	**Bruce Allan, Group Manager: Corporate**
Te Take: Subject:	**Report from the Chair - Recap of 2020**

1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

1.1 The purpose of this report is to allow the Chair of the Risk and Assurance Committee the opportunity to review the previous year.

1.2 The Chair, Mr Jon Nichols will provide a verbal report at the meeting and speak to a presentation.

2.0 Recommendations – *Ngā Tūtohunga*

A) That the Risk and Assurance Committee receive the report titled Report from the Chair - Recap of 2020 dated 2 February 2021.

Attachments:

There are no attachments for this report.

HASTINGS DISTRICT COUNCIL

RISK AND ASSURANCE COMMITTEE MEETING

TUESDAY, 2 FEBRUARY 2021

RECOMMENDATION TO EXCLUDE THE PUBLIC

SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

THAT the public now be excluded from the following part of the meeting, namely:

13   IT Risks and Controls

The general subject of the matter to be considered while the public is excluded, the reason for passing this Resolution in relation to the 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 is as follows:

GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	*REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED*	*GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION*
13 IT Risks and Controls	**Section 7 (2) (h)** The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial ativities. To protect Council's IT controls and risk management.	**Section 48(1)(a)(i)** Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.