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Thursday, 17 August 2023

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*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*  
**Hastings District Council**  
**Extraordinary Council Meeting**

## *Kaupapataka*

# Agenda

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*Te Rā Hui:*  
Meeting date: **Thursday, 17 August 2023**

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*Te Wā:*  
Time: **1.00pm**

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*Te Wāhi:*  
Venue: **Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings**

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*Te Hoapā:*  
Contact: **Democracy and Governance Services  
P: 06 871 5000 | E: [democracy@hdc.govt.nz](mailto:democracy@hdc.govt.nz)**

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*Te Āpiha Matua:*  
Responsible  
Officer: **Chief Executive - Nigel Bickle**

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**Watch Council meetings  
streamed live on our website  
[www.hastingsdc.govt.nz](http://www.hastingsdc.govt.nz)**



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Thursday, 17 August 2023

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*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**Extraordinary Council Meeting**

*Kaupapataka*

# Agenda

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*Tiamana*

**Chair:** Mayor Sandra Hazlehurst

*Mematanga:*

**Membership:**

*Ngā KaiKaunihera*

**Councillors:** Ana Apatu, Marcus Buddo, Alwyn Corban, Malcolm Dixon, Michael Fowler, Damon Harvey, Henry Heke, Kellie Jessup, Tania Kerr (Deputy Mayor), Eileen Lawson, Renata Nepe, Simon Nixon, Ann Redstone, Wendy Schollum and Kevin Watkins

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*Tokamatua:*

**Quorum:**

8 members

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*Apiha Matua*

**Officer Responsible:**

Chief Executive – Nigel Bickle

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*Te Rōpū Manapori me te  
Kāwanatanga*

**Democracy and**

**Governance Services:**

Louise Stettner (Extn 5543)



## *Te Rārangi Take*

# Order of Business

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### 1.0 Opening Prayer – *Karakia Whakatūwheratanga*

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

At the close of the agenda no apologies had been received.

Leave of Absence had previously been granted to Councillor Heke

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### 3.0 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.

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### 4.0 Confirmation of Minutes – *Te Whakamana i Ngā Miniti*

No minutes to confirm

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### 5.0 Long Term Plan Amendment and Consultation Document for Cyclone Gabrielle – Voluntary Residential Property and Property Rights Purchase (*To be Circulated Separately – Supplementary Agenda*)

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### 6.0 Proposed Amendments to Schedule of Meetings 7

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### 7.0 Strategic Risk Register & Risk Management Framework Updates 9

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**8.0** Minor Items – *Ngā Take Iti*

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**9.0** Urgent Items – *Ngā Take Whakahihiri*

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**10.0** Recommendation to Exclude the Public from Items 11 and 12 **15**

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**11.0** Appointment of Independent Member to the Risk and Assurance Committee

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**12.0** Affordable Housing Fund - Request for Proposal

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Thursday, 17 August 2023

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*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*  
**Hastings District Council: Council Meeting**

**Item 6**

*Te Rārangi Take*

# Report to Council

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**Nā:**  
**From: Louise Stettner, Manager, Democracy & Governance Services**

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**Te Take:**  
**Subject: Proposed Amendments to Schedule of Meetings**

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

1.1 The purpose of this report is to consider amendments to the schedule of Council and Committee Meetings for the 2023 Meetings Calendar which was adopted by Council on 2 March 2023.

This report recommends that the 2023 Meeting Schedule as amended below be adopted.

The Local Government Act 2002, Schedule 7, Clause 19 states:

*“A local authority must hold meetings at the times and places that it appoints”.*

*If a local authority adopts a schedule of meetings-*

*a) The schedule-*

*i) may cover any future period that the local authority considers appropriate, and*

*ii) may be amended.*

*Although a local authority must hold the ordinary meetings appointed, it is competent for the authority at a meeting to amend the schedule of dates, times and number of meetings to enable the business of the Council to be managed in an effective way.*

1.2 It is proposed that the meeting schedule be amended as outlined in the recommendations of this report.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That Council receive the report titled Proposed Amendments to Schedule of Meetings dated 17 August 2023.
- B) That Council adopt changes to the 2023 Schedule of Meetings as follows:

Council	New Meeting	Thursday 14 September 2023 at 1pm
Performance and Monitoring Committee	Postponed	From Thursday 14 September 2023 1pm to Thursday 21 September 2023 at 1pm
HDC: Tangata Whenua Wastewater	New Meetings	Friday 15 September 2023 at 1pm and Wednesday 8 November 2023 at 10am
Risk and Assurance Committee	Change of Date	From Monday 27 November 2023 at 1pm to Monday 20 November 2023 at 1pm

### Attachments:

There are no attachments for this report.



Thursday, 17 August 2023

Item 7

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*  
**Hastings District Council: Council Meeting**

*Te Rārangi Take*

# Report to Council

**Nā:** Steffi Bird, Risk Manager  
**From:** Regan Smith, Chief Risk Officer

*Te Take:* Strategic Risk Register & Risk Management Framework Updates  
**Subject:** Strategic Risk Register & Risk Management Framework Updates

## 1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to present the annual update of the Hastings District Council (HDC) Enterprise Risk Management Policy & Framework, and the HDC Strategic Risk Register, for approval by Council.
- 1.2 Updates to these documents were presented to the Council’s Risk & Assurance Committee on 17 July 2023, where the Committee endorsed both documents. The Chair of the Risk & Assurance Committee, Mr Jon Nichols, will be present at the Council meeting to discuss the report.

## 2.0 Recommendations - *Ngā Tūtohunga*

- A) That Council receive the report titled Strategic Risk Register & Risk Management Framework Updates dated 17 August 2023.
- B) That Council adopt:
  - i. The updated Strategic Risk Register including revised risk levels.
  - ii. Addition of a new opportunity risk ‘Effective Strategic Partnerships’ and new threat risk ‘Liability for Legal Challenge’ to the Strategic Risk Register.
  - iii. The Enterprise Risk Management Policy and Framework with no changes required.

### 3.0 Discussion – Te Matapakitanga

#### 3.1 Strategic Risk Register

- The register of Council’s strategic risks has been reviewed with particular attention to the effects of Cyclone Gabrielle, and the proposed updated register is provided as **Attachment 1**.
- The following statement provides an overarching summary of the current risk profile at Hastings District Council:

– *The impacts of Cyclone Gabrielle have significantly changed the Hastings District’s landscape and the foundations of many communities, with this, Council’s risk profile has also altered. At a strategic level the need to address climate adaptation, the uncertainty regarding future land use and challenges to fiscal stability will affect the ability to deliver an effective recovery from the cyclone and achieve Long Term Plan goals. At an operational level, staff and elected members have been working under increased pressure and high workloads through the initial response and this continues as the transition to recovery occurs. With this, comes greater exposure to wellbeing consequences, potential for errors in work and higher attrition rates.*

- No changes have been made to the titles, descriptions, or inherent risk levels for existing items on the strategic register. There are proposed changes to the current likelihood and impact assessments for several risks resulting in adjusted current risk levels. Changes to the risk levels are summarised as:

Strategic (T1) Risk	Revised current risk level	Change from
Significant operational service failure	Extreme	High
Financial sustainability	High	Low
Truth decay	High	Medium

- Status updates have been included in the attached register for the impact that Cyclone Gabrielle is considered to have had on each risk to support the amended current levels of risk.
- The current financial and reputation impacts (consequences) for the risk; Failure of climate adaptation, have changed in this update. However, these do not change the risk score due to the risk already being rated extreme. It is acknowledged that as cyclone recovery work is planned for and initiated, there is opportunity to rebuild previously aging assets to current standards/codes. The completed works could be assessed as effective mitigation against this risk, thereby reducing the risk level.
- In relation to the significant operational service failure risk, the below table provides a summary of the enterprise (tier 2) risk register, including changes to the current risk levels recently approved by the Lead Team. These risks aggregate into the significant operational service failure on the strategic (tier 1) register.

Enterprise (T2) Risk	Current risk level	Change from	Rationale for change
Infrastructure service failure	Extreme	High	Primarily due to the damage to transportation assets, as a result of the cyclone. Repairs and replacements to the transport network are being prioritized for completion. Some temporary solutions (e.g. bailey bridges) have been completed, but these are less resilient than permanent structures.
Inadequate available funds	High	Medium	The significant costs associated with the District’s recovery from the cyclone and subsequent flooding, and initial uncertainty of how much will

			be covered by central government funding, leave Council in a position where planning for financial commitments is more challenging than before. Treasury controls and oversight remains strong and in place.
Corruption and fraud incidents	High	Medium	Following a significant event, the risk of a corruption or fraud incident occurring (internally or externally against Council) is increased due to a range of factors. These factors include increased levels of stress in the community and in staff, people experiencing financial hardship, a potential perception that while there is focus on recovery internally, the opportunity to get away with a crime is easier and increasing levels of opportunistic behaviour from outside of the district seeking to exploit vulnerable people after the event (as has been seen in the higher portion of scam attempts). There is also a significant increase in spending which needs to be done under urgency.
Loss of key knowledge	High	Medium	As HDC responds to the impacts of Cyclone Gabrielle on our infrastructure and communities, specialist skills and knowledge is imperative to ensuring successful delivery of projects, repairs, improvements, and engagement with the community. Coupled with an increasing risk of health & wellbeing impacts on the organisation and a tight labour market, workloads on the staff possessing these skills and knowledge will need to be carefully monitored and proactive measures in place to ensure retention of key knowledge.
Natural / human-made disaster	Extreme	No change	-
Information security breach / technology failure	High	No change	-
Ineffective regulatory oversight	Medium	No change	-
Procurement failure	Medium	No change	-
Business interruption	Medium	No change	-
Officer error / omission	Medium	No change	-
Failure to meet legal obligations	Medium	No change	-
Community services failure	Medium	No change	-



- There is a recommendation to introduce two new risks to the strategic risk register, one being an opportunity risk called 'Effective strategic partnerships', and a new threat risk 'Liability for legal challenge'.

- Effective partnerships have always been considered vital to achieving Council’s goals, and inclusion of this proposed new risk is in recognition of the new recovery environment, requiring many agencies to work together for significant community activities and outcomes.
- As Council begins to enter an agreement with the Crown regarding Category 3 property compensation, the exposure to being liable for legal challenge from property owners could be substantial if not managed appropriately.

### 3.2 Enterprise Risk Management Policy & Framework

- A review of the Risk Framework and Policy was due in April this year. This review was delayed in light of the impacts of Cyclone Gabrielle and has now been completed.
- After reviewing the Risk Framework and Policy no changes were considered necessary at this time. The update to the strategic risk register presented in this paper reflects the immediate change in operating context caused by the Cyclone. However, work is yet to be completed to incorporate recovery objectives into the Council Long Term Plan (LTP). Once this has been done the risk appetite statements in the risk Framework will be updated to reflect any changes in LTP goals.

### Attachments:

1 	Strategic Risk Register Updates	IRB-3-15-23-65	Under Separate Cover
2 	HDC Enterprise Risk Management Policy and Framework V5.2	PMD-9-3-23-73	Under Separate Cover

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## Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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### 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.

### [Link to the Council’s Community Outcomes](#) – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the effective and efficient operation of Council services to support social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

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### Māori Impact Statement - *Te Tauākī Kaupapa Māori*

Not applicable

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### Sustainability - *Te Toitūtanga*

Not applicable

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**Financial considerations - Ngā Whakaarohanga Ahumoni**

Not applicable

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**Significance and Engagement - Te Hiranga me te Tūhonotanga**

This decision/report has been assessed under the Council's Significance and Engagement Policy as being of no significance.

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

Not applicable

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**Risks**

As described in the report.

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

Not applicable

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# HASTINGS DISTRICT COUNCIL

## COUNCIL MEETING

THURSDAY, 17 AUGUST 2023

Item 10

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### 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:

- 11 Appointment of Independent Member to the Risk and Assurance Committee**
- 12 Affordable Housing Fund - Request for Proposal**

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:

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<i>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</i>	<i>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</i>	<i>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</i>
<b>11 Appointment of Independent Member to the Risk and Assurance Committee</b>	<b>Section 7 (2) (a)</b> The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person. To protect the privacy of the individual being recommended to the position.	<b>Section 48(1)(a)(i)</b> 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.
<b>12 Affordable Housing Fund - Request for Proposal</b>	<b>Section 7 (2) (h)</b> The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. Commercially Sensitive.	<b>Section 48(1)(a)(i)</b> 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.