

CENTRAL HAWKE'S BAY



**I hereby give notice that a Risk and Audit Committee Meeting will be held on:**

**Date:** Thursday, 6 September 2018  
**Time:** at the conclusion of the Finance and Planning Committee meeting  
**Location:** Council Chamber  
28-32 Ruataniwha Street  
Waipawa

# **AGENDA**

## **Risk and Audit Committee Meeting**

**6 September 2018**

**Monique Davidson  
Chief Executive**



**Order Of Business**

<b>1</b>	<b>Apologies .....</b>	<b>4</b>
<b>2</b>	<b>Declarations of Conflicts of Interest.....</b>	<b>4</b>
<b>3</b>	<b>Standing Orders.....</b>	<b>4</b>
<b>4</b>	<b>Local Government Act Compliance – Planning, Decision Making and Accountability .....</b>	<b>4</b>
<b>5</b>	<b>Report Section .....</b>	<b>5</b>
5.1	Risk and Audit Update.....	5
5.2	Safety & Wellbeing Update.....	8
5.3	Vulnerable Children's Act Report.....	13
<b>6</b>	<b>Date of Next Meeting .....</b>	<b>16</b>
<b>7</b>	<b>Time of Closure.....</b>	<b>16</b>

- 1 **APOLOGIES**
- 2 **DECLARATIONS OF CONFLICTS OF INTEREST**
- 3 **STANDING ORDERS**

**RECOMMENDATION**

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers
- THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

- 4 **LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY**

Council is required to make decisions in accordance with the requirements of Part 6 Subpart 1 of the Local Government Act 2002.

**RECOMMENDATION**

THAT Council has read the reports associated with items 5.1, 5.2 and 5.3 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting

**5 REPORT SECTION****5.1 RISK AND AUDIT UPDATE****File Number:** COU1-1408**Author:** Bronda Smith, Group Manager, Corporate Support and Services**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The purpose of this report is to update the Committee of Risk and Audit activities for monitoring and review purposes.

**RECOMMENDATION**

**That, having considered all matters raised in the report, the report be noted.**

**SIGNIFICANCE AND ENGAGEMENT**

This report is provided for information purposes only and has been assessed as being of some importance.

**DISCUSSION**Risk Management Framework

The Risk and Audit committee continues to workshop the Risk Framework and progress has been made to develop the overall framework. The Risk matrix for Consequence and Likelihood has been developed and will be incorporated into the framework. The draft framework is expected to be available to the committee by the end of the first week of September.

The following is the expected timeline of the adoption of the Framework and the establishment of the Risk Registers.

Risk Management Framework adoption	By 4 October 2018
Risk Registers Established	By 31 December 2018

Annual Report 2017/18 Audit

The work required to complete the Annual Report 2017/18 continues. The External Auditors are currently onsite completing the testing and review of the Annual Report supporting information.

The timeline for the audit of the Annual Report is as below

Action	Date
External Auditors onsite	27 August to 7 September 2018
External Auditors queries completed	14 September 2018
External Audit opinion issued	Estimated 17 September 2018
Annual Report presented to the Risk and Audit Committee for recommendation on adoption by Council	Extraordinary meeting 4 October 2018
Council Meeting for the Adoption of the Annual Report	Extraordinary meeting 18 October 2018

Internal Audit Report – Contract Management

The Internal Audit Report for Contract Management was presented to the Risk and Audit Committee on the 13 June 2018. The report includes a number of actions that will be reported to the Risk and Audit Committee on a quarterly basis as agreed at the meeting on the 13 June 2018.

Below are the actions will deadlines prior the next quarterly update and progress on the actions.

Action	Who is Responsible	Action to be completed by	Progress
<b>Overall</b>			
Contract Management Policy to be developed	Executive Leadership Team	By 31 July 2018	Development of a Procurement and Contract Management Governance policy has begun by Tim Munro. It is expected that the policy will be workshopped with Council in September.

Internal Audit – Upcoming Audits

Based on the Internal Audit Plan, the next audit is on Sensitive Expenditure and Conflict of Interest. This has been scheduled for October with the Internal Auditors onsite on 10-12 October.

Insurance Programme

The insurance programme for the 2018-19 year has been placed following meetings with JLT and the other HBLASS Councils as part of the ongoing insurance programme.

The insurance for underground assets is with AON as part of the Manawatu-Wanganui LASS and they are looking to go to the London market during September for discussion on the renewal of this insurance. This is due for renewal on 1 November.

**FINANCIAL AND RESOURCING IMPLICATIONS**

Any financial and resourcing implications resulting from risk mitigation measures that are outside staff delegations will be reported and require approval from the Council before being incurred. No such implications have been identified to date.

**IMPLICATIONS ASSESSMENT**

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and

- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

**RECOMMENDATION**

**That, having considered all matters raised in the report, the report be noted.**

## 5.2 SAFETY & WELLBEING UPDATE

**File Number:** COU1-1408

**Author:** Nicola Bousfield, People and Capability Manager

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** Nil

### PURPOSE

The purpose of this Report is to update the Risk & Audit Committee on Council's Safety and Wellbeing activities, as well as the reported incidents and near misses for Council staff for this quarter.

### RECOMMENDATION

**That, having considered all matters raised in the report, the report be noted.**

### SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

### UPDATES

#### Contractors Safety Reports July 2018

##### Higgins:

- Near misses 1
- Incidents 2
- Risks 1
- Safety Audits 10 across all areas
- Good news 1

##### Downers:

- Near misses 1
- Incidents 2
- Audits 4
- Plant event 2
- Safety Mtg 1 (on site)

1.

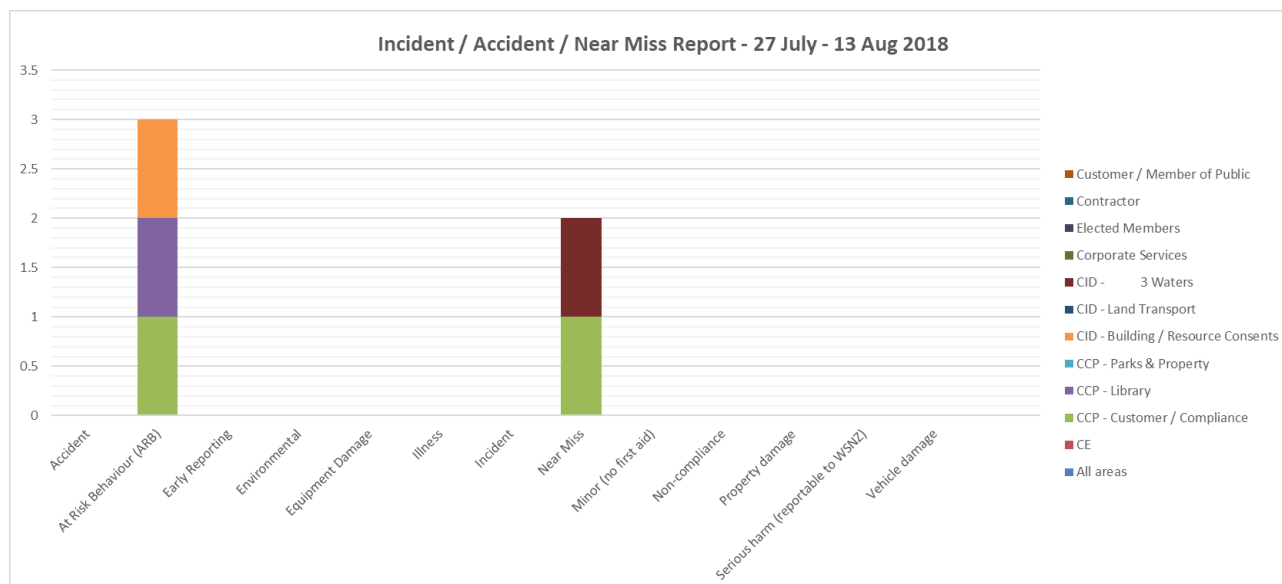
2. Incidents reported were minor, no injuries involved.

3.

#### Council Near Miss/Incident Reporting

- 2 Near Misses reported
- 3 Incidents – (verbal threatening behaviour)





#### 4.

### Asbestos Management Plan

A plan for all Council properties was received on 2 August 2018 from Asbestos Specialists Ltd. This plan outlines how we manage the buildings if asbestos is identified as present, including recommendations on maintenance or any building work. The management of this project will pass to the Places & Open Spaces Manager on their appointment, with assistance as required from the Safety & Wellbeing Lead.

### Safety & Wellbeing Committee

Safety & Wellbeing Committee meeting held 18 July 2018; one near miss (slippery walkway) reported which has been remedied. The next Safety & Wellbeing Committee meeting is planned for 29 August 2018. These meetings are held every 6 weeks.

### Operating Procedures Review Update

The review of the Land Transport team's procedures is underway. Current procedures are being reviewed by the Safety & Wellbeing Lead and will be updated or implemented as required, recommendations will be made in consultation with the Land Transport team.

### Training

- Site Safe Health & Safety Passport (19 staff onsite) – planned for 28 August 2018.
- Emergency Management ITF Intermediate Training on 20-24 August in Napier and Waipukurau. Planned to be rolled out for all staff, who will be called upon during civil defence emergency in Coordination Centre. This training is part of a national framework and provides an introduction to functions in a Coordination Centre.

### Hazard/Risk Register Reviews

Review of assets and sites for safety hazards/risks will be undertaken in conjunction with the new CFIMS contractors, scheduled to occur in mid-September.

Hazard/risk register review for Land Transport to be undertaken in conjunction with the team.

## Wellbeing

- Daffodil Day Bake-Off planned for 31 August, staff invited to bake 'yellow' themed food for morning tea, with all monies going to the Cancer Society.
- Upcoming in October is the Mental Health and Pink Ribbon collection events, with staff able to choose to 'give' time to either event.

## Contractors

The Safety & Wellbeing Lead has reviewed the scope of work of current contractors and determined a risk level, as described below for each. These risk levels will be reviewed and adjusted with the applicable contract managers/technical experts for each area.

Contractor	Definition	#
Supply/Service	Contractors who supply or provide service, eg consultants, fire extinguisher testing offsite,	10
Low Risk	Low risk Contractors undertake one-off jobs or irregular work OR where there is no feasible risk of harm occurring to anyone, eg cleaner, office equipment repairs, serviceman, courier drivers.	14
Medium Risk	Medium risk contractors carrying out regular or short term work eg: electricians, plumbers, general tradesman, mechanical work	15
High Risk	High risk Contractors are contractors carrying out significant capital works/construction work that follows a tendering process or Contractors who will be carrying out high risk, eg roading work, working in/on rivers, maintenance and construction work.	17

### 5.

#### Contractor pre-qualification and audits

- High risk contractors - 4 require completion of pre-qualification paperwork, which is underway with the Safety & Wellbeing Lead. 9 upcoming audits planned for high risk contractors.
- Contractor pre-qualification and subsequent auditing of work will be programmed for the Medium and High Risk contractors based on work schedules for Council.
- Some of the current smaller contractors will become sub-contractors under the new CFIMS contract and will be managed in conjunction with the Veolia and Recreational Services team.

#### Safety & Wellbeing Strategy 2018/2019

The safety and wellbeing strategy for 2018/2019 has been incorporated as part of the People & Capability Business Unit Plan. The strategy, outcomes and initiatives are detailed below.

**Support managers and employees to put  
safety and wellbeing at the heart of  
everything they do.**

Raising the profile of Safety & wellbeing within the business aligning with ELT performance objectives

Protection of all staff at work through access to safety and wellbeing best practices, systems, training and education.

Maintain a continuously improving safety and wellbeing system to Council and all staff

Provide opportunities for all staff to contribute to improving safety and wellbeing systems, practices, initiatives, training and other activities.

Apply best practice to ensure full compliance with the Health and Safety at Work Act and legislation changes.

Ensuring we provide a safe, secure and fit for purpose environment for our people and actively look for ways to enhance all aspects of our workplaces so that our employees feel good coming to work.

- Investigate opportunities to improve Safety & Wellbeing systems
- Partner with technical areas to construct Safe Operating Procedures
- Review and introduce simplified and standardised hazard/risk registers
- Develop 2018/2019 Safety & Wellbeing Programme of work by 31 July 2018
- Improve and refresh reporting to ELT and Risk & Audit Committee to enable quality and informed safety and wellbeing communication
- Policy development and supporting documents
  - Creation of new required documents including
    - Drug & Alcohol Policy
    - PPE Guideline
    - Safe Driving
    - Lone Worker
- Contractor compliance
  - All contractors pre-qualified by 31<sup>st</sup> July 2018
  - Audits completed of all contractors at least one annually
  - Establish and agree Contractor categories, defined by risk and type of contract relationship by 31<sup>st</sup> July 2018
- Identify and roll-out potential wellbeing opportunities for staff and partnering with other groups where possible
- Coordinate staff training including but not limited to:
  - Drug & Alcohol workshops and toolboxes
  - Emergency management
- Partner with C&CP to develop Asbestos Management Plan
- Investigate opportunities for staff engagement in community projects

## FINANCIAL AND RESOURCING IMPLICATIONS

There are no financial or resourcing implications from this report.

## IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
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- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

**RECOMMENDATION**

**That, having considered all matters raised in the report, the report be noted.**

### 5.3 VULNERABLE CHILDREN'S ACT REPORT

**File Number:** COU1-1408

**Author:** Nicola Bousfield, People and Capability Manager

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** Nil

#### PURPOSE

The purpose of this report is to inform Elected Members of Council's compliance under the Vulnerable Children's Act 2014.

#### RECOMMENDATION

**That, having considered all matters raised in the report, the report be noted.**

#### SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

#### DISCUSSION

##### Background

In 2014, Parliament passed the Vulnerable Children's Act 2014 (the "VCA") which provided a series of measures intended to protect vulnerable children. In Particular, the VCA introduced safety checking (screening and vetting) of those working with children.

##### Core and Non-core children's workers

Council identified those employees who were considered "core" workers and "non-core" workers as defined in the VCA.

The VCA states "Core" children's workers are employed by the state sector or government funded organisations to provide regulated services. In the course of that work, the person is either:

- the only person present; or
- is the children's worker who has primary responsibility for, or authority over the child or children present.

"Non-core" worker simply means a children's worker who is not a "core" worker.

##### Safety Checking for Local Authorities

From 1 September 2016, local authorities were required to Safety Check *new* employees and are required to complete Safety checks of *existing* employees by 1 September 2019 ("core" workers) and 1 September 2020 ("non-core" workers).

##### Safety Check Process

Section 26 of the VCA requires that a specified organisation must ensure that their existing workforce of "core" (and "non-core") children's workers are safety checked and to have these safety checks updated every three years.

**Roles identified as “core” and “non-core” for Council employees**

<b>Role</b>	<b>Core/Non-Core</b>	<b>Department</b>
Chief Executive	Core	CE
Organisation Transformation Manager	Core	CE
Executive Assistant	Non-Core	CE
People & Capability Manager	Core	P&C
Safety & Wellbeing Lead	Non-Core	P&C
Group Manager – Corporate Support & Services	Core	CS&S
Group Manager – Community Infrastructure & Development	Core	CI&D
Building Consent Lead	Non-Core	CI&D
Building Consent Officer	Non-Core	CI&D
3 Waters Officer	Non-Core	CI&D
Group Manager – Customer & Community Partnerships	Core	C&CP
Customer Relationships & Experience Manager	Core	C&CP
Environmental Health Officer	Non-Core	C&CP
Liquor Licencing Cadet/Environmental Health Officer Cadet	Non-Core	C&CP
Animal Services Officer	Non-Core	C&CP
Compliance and Bylaws Officer	Non-Core	C&CP
Customer Experience Representative	Core	C&CP
District Plan Manager	Non-Core	C&CP
Project Support Officer - District Plan	Non-Core	C&CP
Communications Lead	Core	C&CP
Community Development Lead	Core	C&CP
Customer & Community Services Support Officer	Non-Core	C&CP
Library Services Manager	Core	C&CP
Library Experience Representative	Core	C&CP
Places & Open Spaces Manager	Core	C&CP
Places & Open Spaces Officer	Core	C&CP

**Council compliance with VCA**

- Introduced “Child Protection Staff Policy” - September 2017
- Approved Agency Agreement with NZ Police Vetting Services – February 2018
- Reviewed and updated those roles employed by Council identified as “core” and “non-core” – May 2018
- Updated and circulated revised “Child Protection Staff Policy” to employees – May 2018
- Requested all “core” and “non-core” employees complete safety checks – May 2018
- Completed safety checks on all existing staff – July 2018 (new employee checks completed during pre-employment)

**Summary**

Central Hawke's Bay District Council is compliant with the regulations set out in the VCA, all "core" and "non-core" workers have been safety checked.

**FINANCIAL AND RESOURCING IMPLICATIONS**

There are no financial or resourcing implications from this report.

**IMPLICATIONS ASSESSMENT**

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

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**RECOMMENDATION**

**That, having considered all matters raised in the report, the report be noted.**

**5 DATE OF NEXT MEETING**

**RECOMMENDATION**

THAT the next meeting of the Risk and Audit Committee be held on 18 October 2018.

**6 TIME OF CLOSURE**

The meeting closed at .....