

Mā tō tātou takiwā
For our District

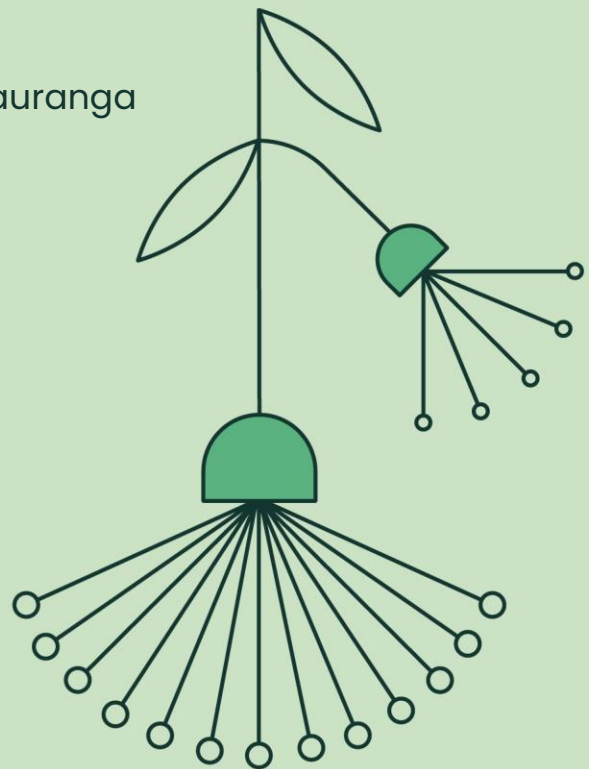
Audit, Risk and Finance Committee

Kōmiti Arotake Tūraru me Ahumoni

ARF23-2

Tuesday, 23 May 2023, 12.30pm

Council Chambers, 1484 Cameron Road, Tauranga



Audit, Risk and Finance Committee

Membership:

Chairperson	Cr Murray Grainger
Deputy Chairperson	Cr Tracey Coxhead
Members	Cr Richard Crawford Cr Grant Dally Mayor James Denyer Cr Anne Henry Cr Rodney Joyce Cr Margaret Murray-Benge Deputy Mayor John Scrimgeour Cr Allan Sole Cr Don Thwaites Cr Andy Wichers Stuart Henderson – Independent Member
Quorum	Seven (7)
Frequency	Quarterly

Role:

The main purpose of the Committee is to assist Council in providing oversight of matters relating to the quality and integrity of financial reporting, independence and performance of the external auditors, effectiveness and objectivity of the internal audit programme, and oversight of business risks and compliance activities.

Scope:

Responsibilities:

- Assist Council in fulfilling its responsibilities for financial statements and external financial reporting.
- Monitor the Council's external and internal audit process and the resolution of any issues that are raised.
- Review key formal external accountability documents such as the Annual Report in order to provide advice and recommendation in respect to the integrity and appropriateness of the documents and the disclosures made.
- Provide a forum for communication between management, internal and external auditors and the governance level of Council.

- Ensure the independence and effectiveness of Council's internal audit processes, with oversight of the internal audit programme and findings.
- Oversee the development of the Council's Annual Report.
- Oversee the development and management of financial policies and delegations.
- Monitor existing corporate policies and recommend new corporate policies to prohibit unethical, questionable or illegal activities.
- Support measures to improve management performance and internal controls.

Responsibilities:

Audit (internal and external):

- Ensure appropriate accounting policies and internal controls are established and maintained and
- assist Council in ensuring the effective and efficient management of all business risks.
- Ensure an appropriate framework is maintained for the management of strategic and operational risk (including risk appetite). Review risk including technical insurance matters.
- and participation in national risk management practices, health and safety risk management and implementation of risk management processes.
- Review the effectiveness of the Long Term Plan audit or any audit relating to an amendment to the Long Term Plan
- Review the effectiveness of the annual audit.
- Monitor management response to audit reports and the extent to which the external audit recommendations concerning internal accounting controls and other matters are implemented.
- Monitor the delivery of any internal audit work programme and implementation of any significant recommendations including control risk, accounting and disclosure practices.
- Engage with Council's external auditors regarding the external work programme and agree the terms and arrangements of the external audit in relation to the Annual Report.
- Engage with internal and external auditors on any specific one-off audit assignments.
- Review the effectiveness of the control environment established by management including the computer information management systems controls and security. This also includes a review/monitoring role for relevant policies, processes, and procedures.

Risk management:

- Review the Risk Management Framework, and associated procedures to ensure they are current, comprehensive and appropriate for the effective identification and management of Council's financial and business risks including fraud and cyber security.
- Review the effectiveness of the system for monitoring Council's financial compliance with relevant laws, regulations and associated government policies.
- Review whether a sound and effective approach has been followed in establishing Council's business continuity planning arrangements.
- Review Council's Fraud Policy to determine that Council has appropriate processes and systems in place to capture and effectively investigate fraud related information.

Financial:

- To monitor the operational performance of Council's activities and services against approved levels of service.
- Monitor financial performance against any Council approved joint contracts with other local authorities.
- Report financial outcomes and recommend any changes or variations to allocated budgets including both operational and capital expenditure.
- Provide oversight of legal risks, claims or proceedings (excluding the approval of any legal settlements).
- Recommend the adoption of the Annual Report and the approval of the Summary Annual Report to Council.

Power to Act:

The Committee is delegated the authority to:

- Receive and consider external and internal audit reports.
- Receive and consider staff reports on audit, internal control and risk management policy and procedure matters as appropriate.
- To approve the Auditors engagement and arrangement letters in relationship to the Annual Report.

Power to Recommend:

To make recommendations to Council and/or any Committee as it deems appropriate.

Power to sub-delegate:

The Committee may delegate any of its functions, duties or powers to a subcommittee, working group or any other subordinate decision-making body, subject to the restrictions on its delegations and provided any sub-delegation includes a statement of purpose and a specification of task.

Notice is hereby given that an Audit, Risk and Finance Committee Meeting will be held in the Council Chambers, 1484 Cameron Road, Tauranga on: Tuesday, 23 May 2023 at 12.30pm

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1 PRESENT**2 IN ATTENDANCE****3 APOLOGIES****4 CONSIDERATION OF LATE ITEMS****5 DECLARATIONS OF INTEREST**

Members are reminded of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest that they may have.

6 PUBLIC EXCLUDED ITEMS**7 PUBLIC FORUM**

A period of up to 30 minutes is set aside for a public forum. Members of the public may attend to address the Board for up to five minutes on items that fall within the delegations of the Board provided the matters are not subject to legal proceedings, or to a process providing for the hearing of submissions. Speakers may be questioned through the Chairperson by members, but questions must be confined to obtaining information or clarification on matters raised by the speaker. The Chairperson has discretion in regard to time extensions.

Such presentations do not form part of the formal business of the meeting, a brief record will be kept of matters raised during any public forum section of the meeting with matters for action to be referred through the customer contact centre request system, while those requiring further investigation will be referred to the Chief Executive.

8 PRESENTATIONS

8.1 BANCORP TREASURY UPDATE AND PRESENTATION

File Number: A5335847

Author: Azoor Ali, Chief Financial Officer

Authoriser: Adele Henderson, General Manager Corporate Services

EXECUTIVE SUMMARY

Bancorp Treasury will present an overview of market trends and forecasts, along with their implications for Council. Specifically, their presentation will focus on:

- Trends and forecasts for domestic inflation;
- Forecasts for market interest rates; and
- How Council has positioned itself within its treasury strategy to mitigate interest rate risks.

RECOMMENDATION

1. That the Chief Financial Officer's report dated 23 May 2023 titled 'Bancorp Treasury Update and Presentation' be received.
2. That the presentation from Bancorp Treasury dated 23 May 2023 be received.

9 REPORTS

9.1 FINANCIAL PERFORMANCE UPDATE AS AT 31 MARCH 2023

File Number: A5142640

Author: Sarah Bedford, Finance Manager

Authoriser: Azoora Ali, Chief Financial Officer

EXECUTIVE SUMMARY

The purpose of this report is to inform Elected Members on progress of the financial results for the six-month period ended 31 March 2023.

RECOMMENDATION

That the Finance Manager's report dated 23 May 2023 titled 'Financial Performance Update as at 31 March 2023' be received.

SUMMARY FINANCIALS

1. The following is a summary of the financial performance for the period ended 31 March 2023 along with associated financial statements. Overall Council has tracked well for the period against its key metrics (refer to **Attachment 1**).
2. The current budgets from a capital delivery perspective have been re-forecasted to reflect the expected end position by budget managers.
3. The below table sets out shows a summary of our progress to date:

Statement of comprehensive revenue and expense	Actual YTD	Budget YTD	Variance YTD
	\$000's	\$000's	\$000's
Revenue	92,687	96,299	(3,612)
Expense	82,126	85,000	2,874
Surplus/(deficit)	10,561	11,299	(738)
Total Revenue - Actual vs Budget	71%		
Total Expenses - Actual YTD vs Budget YTD	72%		
Statement of financial position			
	Actual YTD	Budget Full Year	
	\$000's	\$000's	
Assets	1,750,663	1,744,154	
Liabilities	125,663	160,004	
Equity	1,624,833	1,584,150	

4. Financial Performance - The overall financial results show a favourable surplus to date of \$10.6M. This is a \$738K un-favourable variance to budget.
5. Balance Sheet - As at March council's Assets are 104% (higher PP&E) and Liabilities are 79% of the target full year budget, this is due to lower borrowings.
6. Treasury - There were no new loans taken out in the last quarter.
7. Council remains within its debt, interest, and liquidity ratio policy limits.
8. Capital Expenditure - Total capital expenditure of \$34.83m was \$46.13m lower than the full year budget of \$71.37m. This represents capital expenditure of 48% of the full year budget.
9. Council has marginally breached two timeline policies in relation to its interest rate hedging. This is because of adopting a new treasury policy in December 2020.

10. Bancorp has suggested potential hedging instruments to bring council back within policy.

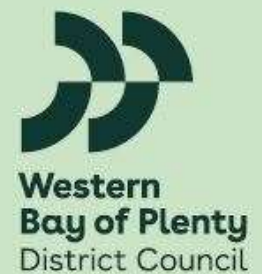
ATTACHMENTS

1. **Quarterly Financial Report - March 2023**  



Pūrongo pūtea ia toru marama
Q3 Quarterly Financial Report

March 2023 – Period 9
For the nine months ended 31 March 2023



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9.2 TAX RISK GOVERNANCE FRAMEWORK

File Number: A5335688

Author: Azoor Ali, Chief Financial Officer

Authoriser: Adele Henderson, General Manager Corporate Services

EXECUTIVE SUMMARY

1. A Tax Risk Governance Framework was adopted in 2021 by Council as a proactive step towards identifying and managing tax risk to maintain the Councils low risk profile. The framework requires a report to the Committee annually outlining compliance and risk management.

RECOMMENDATION

1. That the Chief Financial Officer's report dated 23 May 2023 titled 'Tax Risk Governance Framework' be received.
2. That the presentation from Pricewaterhouse Coopers (PwC) dated 23 May 2023 be received.

BACKGROUND

2. Council has engaged Pricewaterhouse Coopers (PwC) as our Tax advisors to provide an annual update on our Tax Risk Governance Framework and compliance to our tax risk management strategy for Council to proactively manage its tax related risk.
3. This work programme includes detailed evaluations of Council's processes and procedures relating to the types of tax Council has the most potential exposure to (GST, PAYE and FBT). These evaluations are designed to ascertain areas of risk, provide an independent assessment of compliance and to provide recommendations for improvement.
4. The Tax Governance Framework outlines the proposed risk profile and strategies taken towards Council's taxation risk management, as well as the proposed work programme for the next three financial years.
5. The Tax Governance Update contains the following and will be presented by PwC:
 - Summary of the tax accounted for by Council;
 - Proposed Tax Risk Management Strategy;
 - Tax advice provided during the period; and
 - Recent tax developments to Council and specifically to local government.

ATTACHMENTS

- 1. PWC Tax Governance Update May 2023**  

9.3 HEALTH AND SAFETY REPORT

File Number: A5142631

Author: Clint Boyle, Health, Safety and Wellbeing Lead

Authoriser: Adele Henderson, General Manager Corporate Services

EXECUTIVE SUMMARY

This report provides a summary of:

- The health and safety performance across the organisation;
- Significant health and safety risks and safety events for the reporting period; and
- The progress against the health and safety strategy and work programme.

RECOMMENDATION

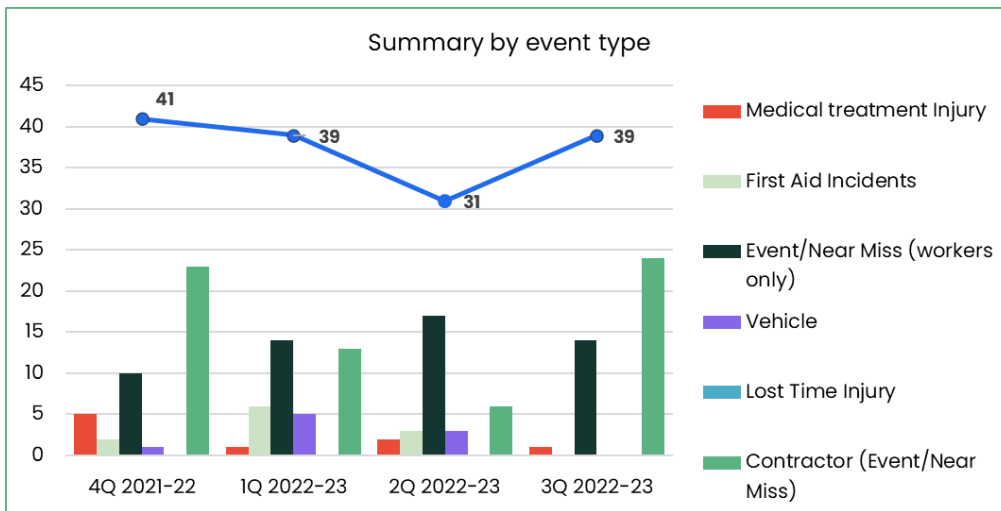
That the Health, Safety and Wellbeing Lead's report dated 23 May 2023 titled 'Health and Safety Report' be received.

SUMMARY OF PERFORMANCE

The overall health, safety and wellbeing performance from our people and our contractors was positive throughout the quarter. The primary focus was for the Health, Safety and Wellbeing Lead to gain understanding and information around how our people and contractors include and implement safety within their day to day tasks, key hazard areas and identifying overall areas for improvement. The complexity of Council has resulted in a wide array of target areas, which are built into the strategy document that has been produced, awaiting Senior Leadership Team review. Exposure to aggravated and abusive customers remains a key focus area for the Council, as we seek to reduce the likelihood of exposure to these types of events by taking a more innovative and mature review of the contributing factors and acting accordingly.

Summary - Event Type

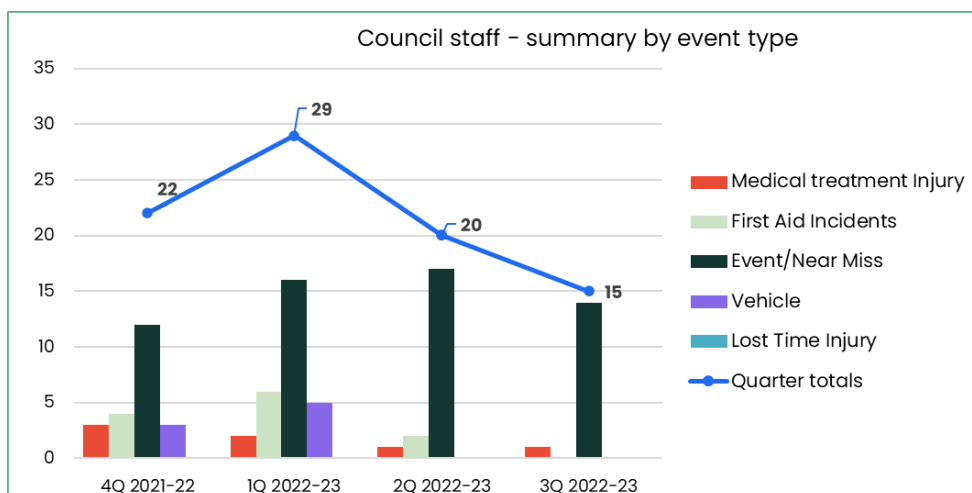
Overall, the events reported through the quarter show a general reduction in the frequency of most incident types, with the exception of contractor events. There has been an increased focus on close engagement with key contractors, and encouraging better reporting from them given they perform the majority of our physically demanding tasks. This explains the increase in contractor events. Council staff reported a reduced number of events in all event categories through the quarter.



Council Staff Events

Council staff events have continued to decrease quarter on quarter. The vast majority of events have been low severity in nature, however there was a continued occurrences of our people being exposed to verbal assault events from members of the public. Two of these events were classified as high potential events – an overview of these events is presented later in the report.

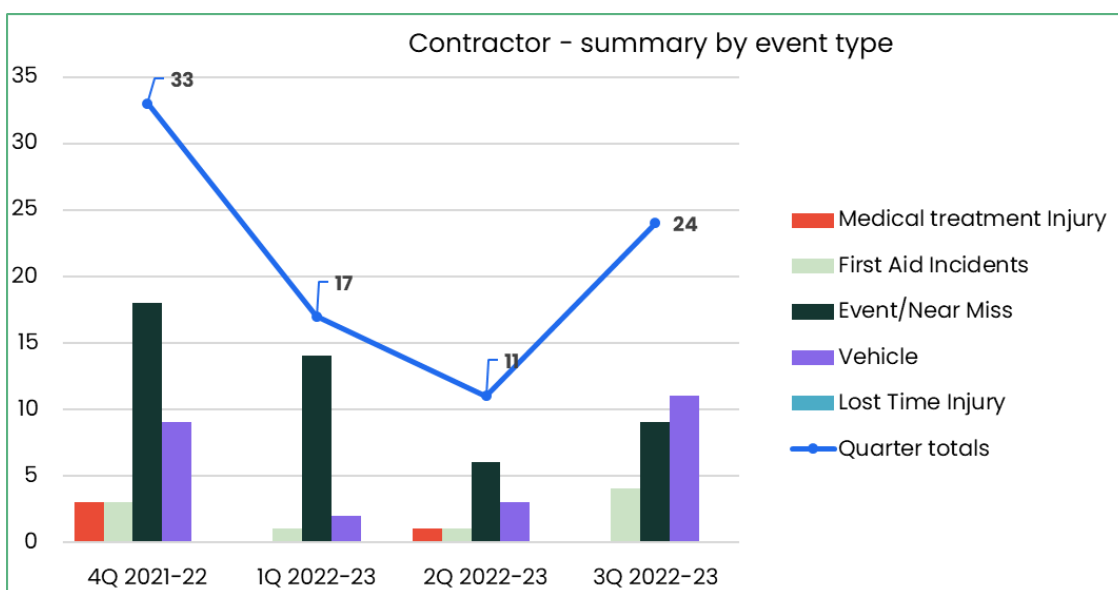
There was one injury requiring medical treatment throughout the quarter. This was a minor shoulder discomfort requiring physio treatment and was caused by an office worker performing non routine tasks. Further review of incident classifications is required to ensure incidents and appropriately classified.



Contractor Events

Contractor events have increased in volume from the previous quarter. The Health, Safety and Wellbeing Lead has been engaging directly with many of the lead contractors throughout the quarter via contract review meetings. In addition to establishing solid working partnerships, the interactions have held a key goal of promoting a healthier incident reporting culture.

A number of the contractor events involved vehicles or mobile plant, and often resulted in damage to property. Driver behaviour has been a topic of conversation with key contractors, with an underlying theme being that drivers are rushing to get the job done. In addition to encouraging drivers to take time to do the job safely, Council have also encouraged the contractors to review staffing levels, work loads and task expectations placed on workers.



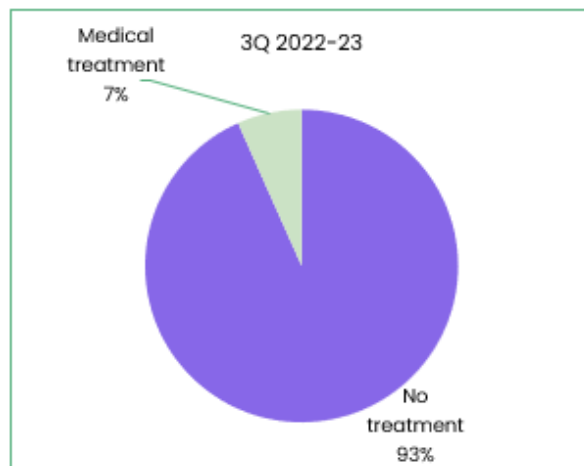
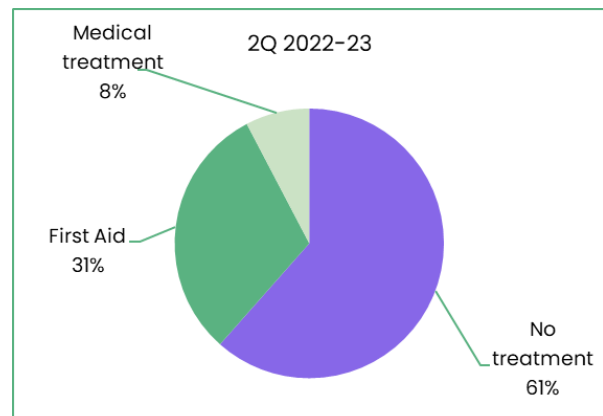
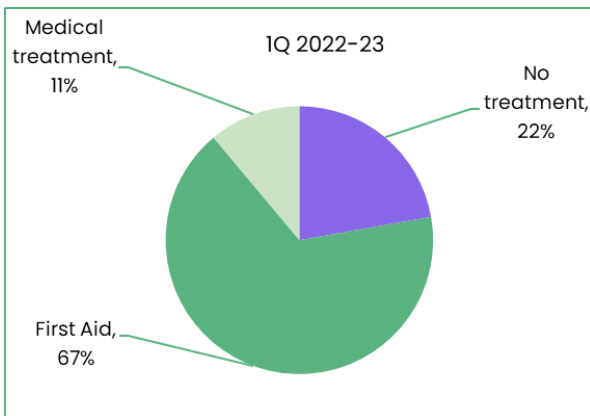
Event by Injury Severity 2022-2023

A proposal was presented to Senior Leadership Team (SLT) during the period, which reviewed the risk rating and event severity guidelines used to assess Council health and safety activities.

A broad aim of our health, safety and wellbeing journey will be to move to a risk-based approach to how we manage hazards, risks and events. This will include proactive hazard and risk management processes (to be developed), event severity rating, and

incident investigation requirements. Ensuring that hazards, risks and events are assessed and graded appropriately and consistently will be important as Council move through this journey.

Injury severity outcomes for the quarter indicates that the treatment required for events was continuing to reduce in significance. Once incident classification definitions are aligned with severity descriptions, this will allow reporting of a much more streamlined and accurate representation of severity.



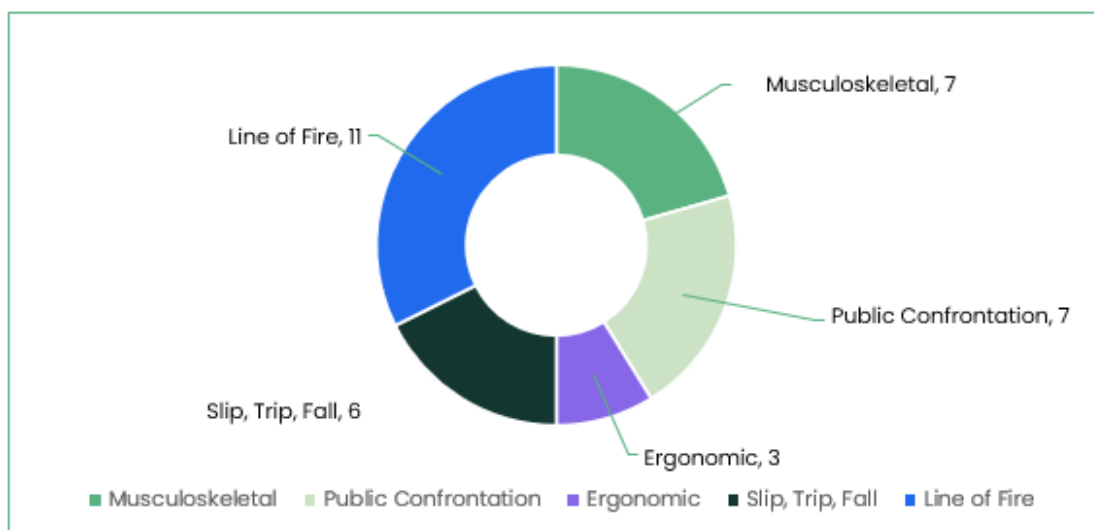
Mechanism of Incident 2022-2023

Evaluating and identifying mechanisms of incident/injury trends is important to inform activities that are presented to the business, and to reduce the frequency of events moving forward.

Line of Fire continues to be the predominant underlying cause of many of our people events. Examples of line of fire are events caused by being hit by a moving object, hitting

an object with a body part, or being in the way of an uncontrolled release of energy (steam, flame, sparks etc).

Public confrontation was the single largest cause of events our people were exposed to in Q3 – this is aligned with the increased focus by Council to identify contributing factors, and changes that can be made to reduce the frequency of these interactions.



Lag Indicators (Accident/Incident Frequency Rates)

The metrics reported are provided in a rolling 12-month form.

There is still not an efficient way to capture the hours worked by contractors on WBOPDC contracts, and therefore the frequency rates listed below remain WBOP DC staff only.

Incident Classification Guidelines is also under review. The TRIFR increased over the quarter from 8.76 the previous quarter, to 10.20 within this quarter. This is due to the medical treatment injury, which in reality was a minor injury that required no modification of duties, restricted hours or extensive treatment. Re-classification would likely place this as a First Aid Injury.

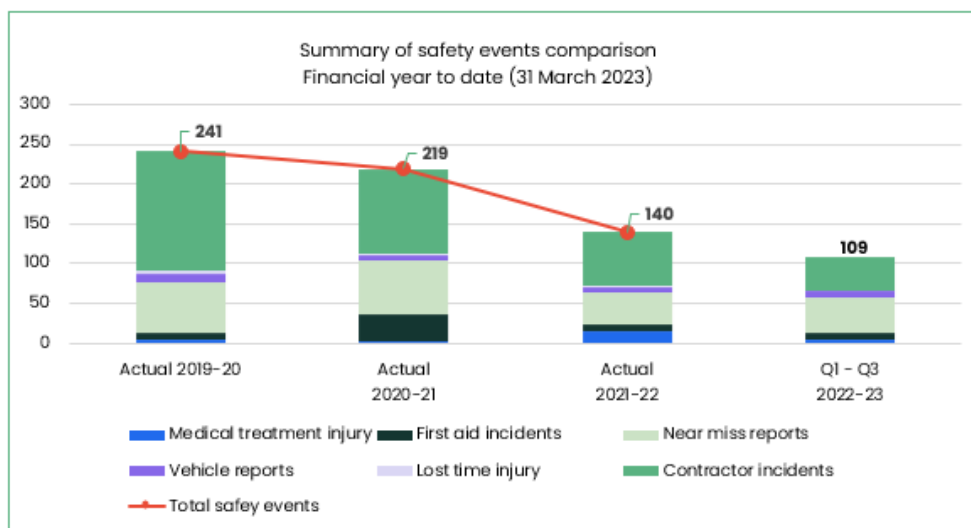
- *Lost Time Injury Frequency Rate (LTIFR). This is the number of lost time injuries per 1,000,000 hours worked.*
- *Total Recordable Injury Frequency Rate (TRIFR). This is the number of recordable injuries per 100,000 hours worked.*
- *Lost Time Injuries (LTI's).*

Metric	Western Bay of Plenty District Council
LTIFR (rolling 12 months)	0.00
TRIFR (rolling 12 months)	10.20 <i>previous 8.76</i>

Number Lost Time Injuries (LTI). (rolling 12 months)	0
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Summary of Safety Events – Financial Year to Date (31 March 2023)

Quarter 3 performance indicates that we are on track to meet or better the 2021/2022 total event result. The severity of the events is also showing a reduction year on year.



HIGH POTENTIAL SAFETY EVENTS

Aggressive Customers

There were two significant events in the quarter where Council staff were confronted with verbal aggression from members of the public. Both related to our Animal Services Officers.

1. Physical Confrontation Event

Three Council staff (two Animal Services Officers, one Technical Support Officer who was accompanying the ASOs to understand their daily tasks) attended an address to speak with the dog owners about registering their dogs. A male occupant initially provided some verbal aggression towards our staff. This progressed to physical aggression, where our staff experienced close proximity intimidation, including poking our worker in the cheek, as our people retreated to deescalate the situation. The occupants then obtained a length of timber, which they threatened to hit our people with. Our team got in their vehicle and looked to leave the property. As they did, a second occupant threw a metal bar at the vehicle, striking the ute. Further threats were made as our team were leaving, including the threat of ramming our vehicle with theirs. Team Leaders and the Police were notified of the event. There

was no physical harm to our team members, and after a debrief with each team member, it was identified that there were no obvious psychological issues either.

2. Barkes Corner Event

Animal Services were informed by Police of the presence of dogs at a property of a disqualified dog owner. As the Police had taken the individual to custody for an unrelated issue, Council was informed that it was an opportune time to seize the dogs – an opportunity which was taken. In discussions with the residents of the property regarding the dogs, it was advised that the dogs belonged to a housemate, who was not disqualified. Arrangements were made to have the required payment and registration paperwork completed, and the dogs to be returned. Due to previous issues with conflict relating to the property, Council staff were on high alert. On arrival to Barkes Corner, the new owner subjected our Animal Services, Compliance and Customer Services team to a barrage of abuse, foul language and personal insults. This lasted approximately 90 minutes. Police were called to assist as the visitor became more agitated and abusive – it was believed that the person was impaired by a substance. Police did not arrive. The payment and animal handover were arranged at Barkes Corner the following day.

The following day, the person arrived at Barkes Corner and was greeted outside, with the doors locked, by Animal Services and Compliance. The visitor was once again agitated and abusive, and Police were called again. Council staff felt as though the situation was going to escalate to a more physical confrontation, so elected to remain inside with the doors locked after receiving the payment, until Police arrived to facilitate the final handover. Once the Police arrived, the remainder of the transaction occurred without incident. Once again, there were no physical injuries, however team members did experience some anxiety post event. Co-worker support and encouragement to use EAP was discussed with affected staff. There does not appear to be ongoing issues.

Review and Action Plan

Though the trend was identified in the previous report, a more structured approach to identifying issues and supporting our people has recently been requested by our senior leaders. Our people react well in attempting to deescalate situations as they present, however Council is of the view that more can be done to support our staff.

The review and action planning includes:

- Review and update of security set ups at our locations eg remote door locking, panic buttons, security guards.
- Increased availability of CCTV footage at Omokoroa Library.

- Review of site layouts, and how these contribute to situations – specifically, Katikati Library.
- Learning Teams/Collective Insights sessions with affected teams;
- Improved relationships with local police.
- Review of Crime Prevention Through Environment Design (CPTED) proposal from 2022 – an external review of our locations, and recommendations to improve site safety.
- Communications campaign aimed at our community to promote respectful treatment of our staff.
- Management support to Empower our staff to take alternative, less confrontational approaches to how they do their jobs e.g. engagement /relationship first, compliance/enforcement last.

WELLBEING

Our people have not reported any stress or wellbeing issues in the quarter.

Council is in the early phases of embarking on a journey to establish a much more mature wellbeing strategy for our people. This will be created around evidence-based frameworks and will seek to identify and understand psychosocial risks within our Council, before looking at ways to address these risks and improve the work experience for our people – ultimately resulting in improved wellbeing at work.

There continues to be a range of wellbeing based initiatives offered to our people. These are organised by various staff within the business and are aimed at providing health and fitness based activities for our people to get involved with. These will continue through the year, forming part of the overall strategy.

HEALTH AND SAFETY STRATEGIC WORK PROGRAMME

Knowledge Focus

The site specific online inductions for Waihi Beach Wastewater treatment plant and Katikati Wastewater treatment plant continued. The inductions were completed and presented to Utilities for review. Feedback was provided, and this is being actioned by our supplier Work SI Limited currently.

Strategy Development

The primary focus of the January to March quarter was learning and understanding our organisation, the work we undertook, how we did it and how we 'did' health, safety and wellbeing. The activities to facilitate this included

- Site tours of our various sites;
- Worker engagement with key stakeholders;
- Contractor engagement/relationship building with primary contractors;
- All of staff survey; and

- Vault incident reporting trends.

From this information the health, safety and wellbeing strategy was developed and populated. The key subjects within the strategy are awaiting final approval by SLT. Once this is completed, the action items contained within the strategy can begin, with the overall aim of becoming a more mature, innovative and behaviourally safe business.

HEALTH AND SAFETY COMMITTEE

The Health and Safety Committee met twice during the reporting period. This committee reviews key issues around health and safety within our operations. Much of the discussion through this quarter has been around the learnings from the observational review, survey completion and results, and strategy development.

Emergency preparedness has been discussed at length, particularly with the reality of flexible work arrangements. HSW have engaged with the local fire department to understand requirements of the emergency planning from their perspective, and this has been incorporated.

Work continues to define the intent and responsibilities of the Health and Safety Committee, and how information discussed and generated within this meeting is filtered throughout the organisation. The meeting often has senior leadership representation within it.

FOCUS FOR NEXT QUARTER

Strategy

With the broad landscape of health, safety and wellbeing now more visible, the implementation of the strategy will take precedence through the remainder of the year. This will include introducing and reporting on lead indicators, which were outlined in the previous quarters report.

Key Hazards

As outlined earlier in this report, the risk presented to our teams from aggressive or abusive customers is a key focal point, and one that is expected to increase in frequency due primarily to social pressures. How Council operates is one aspect of managing this hazard that we can control, so investigations will occur to understand what it is that we do that contributes to these events, and how we can adapt to reduce the likelihood. Further work to understand other drivers, and the implementation of reasonable controls and changes, will be a key focus.

Incident Reporting and Systems Use

A key gap identified in the survey and conversations with our people is that there is a significant gap in understanding what events need to be reported, and how to use our system that records these. This indicates that there is likely a level of under-reporting of incidents within our operations.

Communications

We will be seeking to increase the nature and frequency of our health, safety and wellbeing related communications. This is important as we look to normalise health, safety and wellbeing discussions within our teams.

9.4 RISK AND ASSURANCE REPORT MAY 2023

File Number: A5142649

Author: Ernest Bernard, Risk and Assurance Manager

Authoriser: Adele Henderson, General Manager Corporate Services

EXECUTIVE SUMMARY

The Risk and Assurance report is to provide the committee with information on the risk management and internal audit activities since the last Audit, Risk and Finance Committee in February 2023.

RECOMMENDATION

1. That the Risk and Assurance Manager's report dated 23 May 2023 titled 'Risk and Assurance Report May 2023' received.
2. That the Audit, Risk and Finance Committee recommend that Council approve the draft 'Risk Management Framework'.
3. That the Audit, Risk and Finance Committee recommend that Council approve the updated Western Bay of Plenty District Council Strategic Risk Register.

BACKGROUND

1. The Risk and Assurance Report May 2023 provides and update on:
 - KPMG Post SLT Workshop;
 - Western Bay of Plenty District Council's (WBOPDC) Draft Risk Management Framework;
 - WBOPDC Updated Strategic Risk Register;
 - The Risk Management Work Programme;
 - Internal Audit Plan 2022/2023 to 2025/2026; and
 - Cyber Security Report.
2. The Draft Risk Management Framework (**Attachment 2**) was reviewed by KPMG and recommendations provided were taken onboard and updated.
3. In the previous Audit, Risk and Finance Committee Meeting the proposed internal audit plan was reported and in that meeting Risk and Assurance advised the Committee that SLT will be reviewing the Internal Audit Plan and a final proposed plan is reported in the attached Risk and Assurance Report May 2023.

4. The details of the proposed Internal Audit plan for the financial year 2023/2024 is reported in the Risk and Assurance Report May 2023 (**Attachment 1**).
5. Risk and Assurance has been working with Information Technology (IT) to obtain assurance in the area of cyber security. IT has provided a report (**Attachment 1**) on the cyber security risk and controls that are in place.

ATTACHMENTS

1. **Risk and Assurance Report May 2023**  
2. **KPMG review of the Draft Risk Management Framework**  

9.5 BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES LIMITED (BOPLASS) HALF YEARLY REPORT

File Number: A5237844

Author: Ezelle Thiart, Finance Business Partner

Authoriser: Azoorah Ali, Chief Financial Officer

EXECUTIVE SUMMARY

The purpose of this report is to provide Elected Members with Bay of Plenty Local Authority Shared Services Limited's (BOPLASS) Annual Report for the period ended 31 December 2022.

The BOPLASS Annual Report was approved by their Board of Directors and received by Council on 27 February 2023.

RECOMMENDATION

That the Financial Business Advisor's report dated 23 May 2023 titled 'Bay of Plenty Local Authority Shared Services Limited (BOPLASS) Half Yearly Report' be received.

BACKGROUND

1. BOPLASS is a designated Council Controlled Organisation (CCO) under the Local Government Act 2002 (LGA). The company was formally established in January 2008 by the nine local authorities in the Bay of Plenty and Gisborne regions to foster collaboration between councils in the delivery of services, particularly back office or support services.
2. As a CCO, BOPLASS is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent.
3. Under Section 67 of the LGA, within three months after the end of each financial year, the board of a CCO must deliver to the shareholders, and make available to the public, a report on the organisation's operations during that year, including financial statements and auditor's report.
4. The BOPLASS Annual report is included as **Attachment 1** to this report.

SUMMARY OF ACHIEVEMENTS

1. For the six month period to 31 December 2022, BOPLASS recorded revenue of \$1.2 million and returned a net deficit of \$6,000. This is backed by Net Assets of \$45,460.

ATTACHMENTS

1. **BOPLASS Half Yearly Report 2022-2023** 

9.6 COLAB HALF YEARLY REPORT 1 JULY 2022 TO 31 DECEMBER 2022**File Number:** A5142612**Author:** Sarah Bedford, Finance Manager**Authoriser:** Azoora Ali, Chief Financial Officer**EXECUTIVE SUMMARY**

The purpose of this report is to provide Elected Members with CoLAB's Half Yearly Report to Shareholders for the period 1 July 2022 to 31 December 2022.

RECOMMENDATION

That the Finance Manager's report dated 23 May 2023 titled 'CoLAB Half Yearly Report 1 July 2022 to 31 December 2022' be received.

BACKGROUND

1. CoLAB is designated a council-controlled organisation under the Local Government Act 2002. The company is owned by twelve local authorities across the Waikato and Bay of Plenty Regions to promote shared services between local authorities.
2. Under Section 66 of the Local Government Act 2002, within two months after the end of the first half of each financial year, the Board of a council-controlled organisation must deliver to the shareholders a report on the organisation's operations during that half year. Please refer **Attachment 1**.

ATTACHMENTS

1. **CoLAB Half Yearly Report 1 July 2022 to 31 December 2022** 

10 INFORMATION FOR RECEIPT**11 RESOLUTION TO EXCLUDE THE PUBLIC****RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
11.1 - Confidential Risk and Assurance Report May 2023	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
11.2 - Outstanding Recommendations Register May 2023	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
11.3 - Litigation Update and Issues Watch Register May 2023	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	disadvantage, commercial activities	
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