Risk/Assurance Committee

Terms of Reference

As at May 2026

Elected Members	Cr Dalgety Cr Wilson Cr Wong His Worship the Mayor (ex-officio)
External Members	1 independent chair appointed by Council (no voting rights)
Chair	Philip Jones (Independent Chair)
Meeting frequency	Quarterly
Reports to	Council

Purpose

To provide oversight of Council's risk management and assurance frameworks.

To ensure probity in the management of Council's operations and its assets, holding a close regard for mitigating risk and giving our community assurance that Council is fulfilling their obligations as contained within Annual Plans, Long Term Plans and relevant legislation.

Outcomes

The community and Council are confident that:

- Council has appropriate financial, health and safety, risk management and internal control systems in place to protect Councils obligations, assets, liabilities and reputation.
- Council has embedded a culture that is committed to probity, zero tolerance to fraud and prioritising the health, safety and well-being of all officers and contractors directly involved in RDC's activities.
- Officers and contractors involved in Council's business, understand the risks at hand and are doing everything to mitigate risks as appropriate.
- The relationship with Council's auditors and other external agencies undertaking monitoring of Council's performance are meaningful, open and transparent.
- The Risk/Assurance Committee ensures full Council is aware of any significant findings and subsequent recommendations from internal or external Audits across the Council's activities. The results and progress of the recommendations are received by the Risk/Assurance Committee on a quarterly basis.

Terms of Reference

Terms of Reference (delegations)

1. The Chair will provide a quarterly written Report.

2. Managing Risk across Council including

2.1. Setting Council's appetite for risk and understanding Councils key areas of risk and the likelihood and consequence of these risks eventuating.

2.2. Evaluating the effectiveness of internal controls and following up on actions where a weakness or risk has been identified.

2.3. Receiving regular reports on the any cyber security risks, and understanding the risk portfolio to ensure adequate protection and reviews are in place and being regularly audited/assessed.

2.4. Assessing the risk of fraud occurring across procurement, financial functions, the awarding of contracts and any other areas of RDC business.

2.5. Encouraging and assessing that Council is embedding a culture that is committed to probity, zero tolerance to fraud and prioritising the health, safety and well-being of all officers and contractors directly involved in RDC's activities.

2.6. Reviewing the process to decide if Council should consider entering into or withdrawing from a new CCO, joint venture or similar shared arrangement to understand the risk.

3. Overview of Council's Financial Health, including

3.1. The recovery process for outstanding debtors is being appropriately managed and reported on.

3.2. Reviewing the external Treasury Advisory reports quarterly to ensure Council remains compliant with its borrowing covenants, proactively managing Council's interest rate risk and ensuring Council is not taking unnecessary risks through the use of interest rate derivative products with an approved counterparty.

3.3. Council maintains sufficient cash balances to meet its working capital requirements on a day-to-day basis and is able to plan in advance of refinancing existing debt or borrowing additional funds (as detailed within Long Term or Annual Plans.

3.4. Identifying the of investments Council enters fit typically within the categories identified in Council's Treasury Policy.

3.5. Assessing the insurance portfolio ahead of annual renewals to ensure Council is adequately covered, without creating a material liability.

3.6. Assessing the appropriate management of liabilities and assets including the revaluation process, schedule and accounting of the movements.

3.7. Ensuring the appropriate accounting and operational policies are in place (as detailed in the Programme of Work which will be considered by the Risk/Assurance Committee at the beginning of each financial year).

4. Health Safety and Well Being oversight including

4.1. Gaining assurance that Council is undertaking role as a PCBU (Person Conducting a Business or Undertaking).

4.2. Reviewing Councils quarterly Dashboard Report and exploring any trends around people risks

4.3. Supporting the Elected Members in meeting their "due Diligence" obligations as per the Health, Safety and Wellbeing Due Diligence Plan 2026-2028.

4.4. Assessing that RDC has adequate resources and processes to identify, mitigate or eliminate health and safety risks and verify that these resources are in place and being used effectively.

5. Monitoring the internal and external audit programme, including

5.1. The management reports provided by Council's external auditors and reviewing progress of the recommendations contained within the management report.

5.2. Determining and monitoring of the internal audit programme and making recommendations to Officers to carry out more intensive reviews of significant risk where identified, and if needed reprioritising the planned internal audit programme to meet a more urgent need should the case be justified.

5.3. Reviewing assurance reports from management on regulatory compliance, business resilience and any other matters, such as the New Zealand Transport Agency Audit.

6. Other Matters include, but are not limited to

6.1. Reporting to external agencies required by statutory instruments[1];

6.2. undertakings made in response to the exercise of any Ministerial assistance or intervention[2].

6.3. Monitoring significant projects risk, including capital programmes and the Long Term Planning project.

6.4. Reviewing the Terms of Reference will be reviewed at least once every three years.

6.5. Reviewing relevant policies included in the Risk/Assurance Programme of Work.

1 For example, reporting to the Ministry for the Environment under the National Monitoring System or to Archives New Zealand under the Public Records Act.

2 Part 10, Local Government Act 2002.