

## **Risk and Assurance Committee - Rangitīkei District Council - Chair's Report – June 2025**

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### **Key sector risks**

While the **Local Water Done Well** requirements/decisions/impacts are a current focus of many Councils, however this comes at a risk that we lose focus on other areas of Council, because of the significant additional requirement of this programme. In my opinion, the work load will increase for sometime into the future.

**Procurement** is a very present risk to the sector.

The recent OAG report on Oranga Tamariki: Inquiry into procurement and contract management. While is a central Government agency, there are a number lessons for Local government, it highlighted the following which are apply to our sector:

1. It did not have a strategic approach to procurement and contract management that was informed by a comprehensive understanding of providers, their services, or most importantly the needs of children and their families.
2. It had not made material improvements to its contracting practices despite being aware of issues with them for some years.
3. Oranga Tamariki did not plan the contracting round well and left its decision-making until late in the process. It documented its decision-making poorly and its decisions were not adequately informed by evidence of how they would affect children and their families.

The full report is available on the OAG website (<https://oag.parliament.nz/2025/oranga-tamariki>)

Furthermore, the have a number of fraud cases that resulted from poor procurement processes.

It is therefore that all local authorities have robust procurement processes and objectives

Finally, as we move into pre-election period, again local government will come under increasing attention from both the community and the media, this should change the risk dial, and we should not be surprised by the change.