MINUTES OF SOUTH WAIRARAPA DISTRICT COUNCIL
RISK & ASSURANCE COMMITTEE MEETING
HELD AT THE SUPPER ROOM, WAIHINGA CENTRE, TEXAS STREET, MARTINBOROUGH
ON THURSDAY, 12 NOVEMBER 2026 AT 1:30 PM

PRESENT:	Mr Bruce Robertson, Cr Rob Taylor, Cr Collier Isaacs and Mayor Fran Wilde.
APOLOGIES:	Cr Chris Archer and Cr Martin Bosley.
IN ATTENDANCE:	Cr Rachel Clarke and Cr Peter Biggs. Janice Smith (Chief Executive Officer), Stefan Corbett (Group Manager, Corporate Services), James O'Connor (Group Manager, Infrastructure and Community Operations), Charly Clarke (Chief Financial Officer), Jess Hughes (Principal Advisor, Legal), Amy Andersen (Lead Advisor, Democracy and Committees).
CONDUCT OF BUSINESS:	This meeting was held in the Supper Room, Waihinga Centre, Texas Street, Martinborough and via audio-visual conference. This meeting was live-streamed is available to view on our YouTube channel. The meeting was held in public under the above provisions from 1:30pm to 3:03pm except where expressly noted.

OPEN SECTION

1 KARAKIA TIMATANGA – OPENING

All in attendance opened the meeting.

2 APOLOGIES

2.1 APOLOGIES - 12 NOVEMBER 2026

COMMITTEE RESOLUTION RAC2026/46

Moved: Mr B Robertson
Seconded: Cr C Isaacs

The Risk and Assurance Committee resolved to accept apologies from Cr Bosley and Cr Archer.

CARRIED

3 CONFLICTS OF INTEREST

No interests were disclosed relating to items on the agenda or interests not already recorded on a relevant register.

4 ACKNOWLEDGEMENTS AND TRIBUTES

Mayor Wilde acknowledged that this was Ms Clarke's final Risk and Assurance meeting as Chief Financial Officer for South Wairarapa District Council. Members expressed their appreciation for Ms

Clarke's contribution and service to the Council during her tenure and extended their best wishes for her new role with Wellington City Council.

5 PUBLIC PARTICIPATION

There was no public participation.

6 ACTIONS FROM PUBLIC PARTICIPATION

There was no public participation.

7 URGENT BUSINESS

There was no urgent business.

8 CONFIRMATION OF MINUTES

8.1 MINUTES OF THE RISK & ASSURANCE COMMITTEE MEETING HELD ON 17 SEPTEMBER 2026

COMMITTEE RESOLUTION RAC2026/47

Moved: Mr Robertson
Seconded: Mayor Wilde

The Risk and Assurance Committee resolved that the minutes of the Risk & Assurance Committee meeting held on 17 September 2026 are confirmed as a true and correct record.

CARRIED

9 MATTERS ARISING FROM PREVIOUS MEETINGS

Noted that the items for follow up from 17 September have been completed in advance and included in this meeting's agenda.

10 DECISION REPORTS FROM CHIEF EXECUTIVE AND STAFF

10.1 INSURANCE RENEWAL 2026

Members received the insurance renewal report from Ms Clarke and were advised that changes to Fire and Emergency New Zealand levy calculations now allow councils to insure against a maximum probable fire loss rather than their entire asset portfolio. Fire loss modelling had been undertaken, with the average loss scenario estimated at approximately $29.9 million and a more conservative upper-quartile option estimated at $35 million. Discussion focused on the suitability of replacement values for heritage assets, including the Martinborough Town Hall, with officers noting that a replacement would be unlikely to replicate an historic building on a like-for-like basis. Members also noted significant savings in material damage insurance premiums and were advised that further information on cyber insurance and councillor liability insurance would be presented at a future meeting.

Note: Recommendation 4 was withdrawn.

COMMITTEE RESOLUTION RAC2026/48

Moved: Cr Taylor
Seconded: Cr Isaacs

The Risk and Assurance Committee resolved to:

1. Receive the Insurance Renewal 2026 report;
2. Note that the coverage described in the Appendix is the draft report prior to final negotiations; and
3. Recommend to officers to set the fire loss limit at $30 million in line with the modelled 1-in-1,000-year loss estimate of $29.9 million.

CARRIED

11 INFORMATION REPORTS FROM CHIEF EXECUTIVE AND STAFF

11.1 FINANCE AND AUDIT UPDATE NOVEMBER 2026

The Committee received a treasury update from Mr White of Bancorp, who provided an overview of domestic and international economic conditions and their implications for Council borrowing. Members heard that current debt levels were expected to reduce significantly following the transfer of water assets to the new water entity from July 2027 before gradually increasing again as future capital programmes progressed. Advice was provided that interest rates appeared to have peaked and that borrowing conditions were expected to improve over coming years. The presentation also highlighted continued strength in New Zealand's export sector, favourable conditions for rural economies, and positive prospects for the Wairarapa region. PowerPoint Presentation

In considering the financial report, Ms Clarke advised that depreciation costs had not yet been processed following adoption of the Annual Report and therefore were not reflected in the current financial position. Emergency works expenditure remained above budget, while reimbursement from NZ Transport Agency subsidies was still awaiting approval and processing. Members discussed capital expenditure delivery, development contribution debtors, rates arrears, and sensitive expenditure reporting. Clarification was provided regarding staff wellbeing benefits, EAP utilisation and credit card transactions recorded within sensitive expenditure reporting.

COMMITTEE RESOLUTION RAC2026/49

Moved: Mr Robertson
Seconded: Mayor Wilde

The Risk and Assurance Committee resolved to:

1. Receive the *Finance and Audit Update to the Committee* report; and

2. Note that no significant tax risks or breaches of financial policies have been identified.

CARRIED

11.2 RISK MANAGEMENT UPDATE

Mr Corbett reported that a comprehensive review of the organisational risk register had been completed to ensure risks, controls and mitigation actions were accurately reflected and actively managed. Two new risks had been formally added to the register: workforce operational risk and environmental risks relating to known threats to life and property.

Members also noted that people-related risks had been incorporated into the main register to provide a single consolidated view of Council's risks. Discussion centred on the need to develop a formal risk appetite framework and better align risk management with future budgeting and Long Term Plan decisions.

Particular attention was given to critical asset failure, climate change adaptation, environmental hazards and roading resilience, with members acknowledging that some risks remain difficult to reduce due to funding constraints and reliance on external partners such as NZ Transport Agency. The Committee recognised the value of increased transparency around high risks and noted the changes made to the register.

COMMITTEE RESOLUTION RAC2026/50

Moved: Mr Robertson
Seconded: Cr Isaacs

The Risk and Assurance Committee resolved:

1. Receive the Risk Management Update report;
2. Notes the changes made to the Risk Register since August 2026; and
3. Notes that overall risk ratings remain largely unchanged, with the primary changes relating to risk descriptions, treatment actions, organisational accountabilities, and the introduction of new operational risks.

CARRIED

11.3 EMERGENCY MANAGEMENT UPDATE

The Committee received an update on implementation of the Wairarapa Emergency Management Strategy from Mr Corbett, including work underway to improve organisational capability, strengthen risk-based planning and enhance regional alignment. Officers advised that fuel disruption risks remained largely unchanged and provided a summary of emergency response activity for the reporting period. Members discussed fuel security, bird flu preparedness, emergency management funding, staffing capacity in the Emergency Operations Centre and community readiness for significant emergency events. While acknowledging positive progress, members noted that staffing, regional coordination, community resilience and resource limitations continue to present challenges. There was broad agreement that emergency management capability is improving, although significant risks remain across the wider region.

COMMITTEE RESOLUTION RAC2026/51

Moved: Mr Robertson

Seconded: Mayor Wilde

The Risk and Assurance Committee resolved to receive the Emergency Management Update.

CARRIED

11.4 PEOPLE AND HEALTH & SAFETY REPORT

Mr Corbett advised the Committee that staffing levels remained largely unchanged, aside from several vacancies currently being recruited. Compliance training completion had reached 94%, and EAP utilisation remained broadly consistent with public sector benchmarks. Officers advised that approximately 30 percent of EAP use related to work-related matters, while the majority related to personal matters. Seven incidents had been reported during the period, with corrective actions implemented as required. The Committee also discussed a public fatality that had occurred on Council premises and received assurance that the appropriate health and safety processes and notifications had been undertaken.

COMMITTEE RESOLUTION RAC2026/52

Moved: Mayor Wilde
Seconded: Cr Isaacs

The Risk and Assurance Committee resolved to receive the People and Health & Safety Report.

CARRIED

11.5 CAPITAL PROJECTS SUMMARY

Mr O'Connor provided an update on infrastructure activities and preparations for forecast El Niño conditions. A water shortage advisory group had been established to monitor demand, weather conditions and the potential need for water restrictions through the summer period. Members were advised that while financial reporting did not yet fully reflect project delivery due to timing of invoices and construction activity, progress on the ground remained positive. Updates were provided on wastewater treatment plant upgrades, the completed Carkeek Observatory project, and progress on the Martinborough Wastewater Treatment Plant Stage 2 consent process with Greater Wellington Regional Council. Mr O'Connor expressed confidence that the capital programme remained on track and within budget expectations.

COMMITTEE RESOLUTION RAC2026/53

Moved: Cr R Taylor
Seconded: Cr C Isaacs

The Risk and Assurance Committee resolved to:

1. Receive the Capital Projects Summary report.
2. Note the information included in the report.

CARRIED

12 PUBLIC EXCLUDED BUSINESS

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION RAC2026/54

Moved: Mr B Robertson
Seconded: Mayor F Wilde

The Risk and Assurance Committee resolved 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	Plain English reason for passing this resolution in relation to each matter
12.1 - Public Excluded Minutes of the Risk & Assurance Committee Meeting held on 17 September 2026 **Chair/rob**	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	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	Relates to discussions about the legal update and the draft Annual Report for 2025/26.
12.2 - Legal update	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	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	To be able to speak freely around legal issues facing the council.

CARRIED

13 KARAKIA WHAKAMUTUNGA – CLOSING

All in attendance closed the meeting with a karakia.

The meeting closed at 3:03pm.

Confirmed as a true and correct record.

…….. (Chair)

…….. (Date)

…….. (Chief Executive)

…….. (Date)