

Minutes of a meeting of the QLDC Risk & Assurance Committee held in the Council Chambers, 10 Gorge Road, Queenstown on Thursday, 23 June 2026 commencing at 9.00am

Present

Councillor Niki Gladding (Chair), Councillor Samuel 'Q' Belk, Councillor Stephen Brent, Mr Matt Mouat, Mr Alastair Hercus and Ms Juliet Tainui-Hernandez

In Attendance

Councillor Jon Mitchell (until 12.00 noon), Michelle Morss (Interim Chief Executive), Katherine Harbrow (General Manager, Assurance, Finance & Risk), Pennie Pearce (Acting General Manager, Strategy & Policy), Tony Avery (General Manager, Property & Infrastructure), Gareth Noble (Assurance & Risk Manager), Paul Speedy (Programme Director (Strategic Projects)), Bill Nicoll (Resilience and Climate Action Manager), Kirsty Pope (Senior Resilience and Climate Action Advisor), Tilly McCool (Resilience and Climate Action Advisor), Ryan Clements (Chief Information Officer), Simon Jopson (ICT Manager), Brendan Peet (General Counsel), Mary Davenport (Associate Counsel, RMA & Regulatory – online), Charlotte Robertson, Alice Milne and Harry Beaumont (Senior Legal Counsel), Ian Dunbar (Organisation Performance Manager), David Robson (Aon New Zealand Ltd – online), Jon Winterbottom (Democracy Services Manager), Jane Robertson (Senior Democracy Services Advisor); no members of the public and one member of the media

Apologies

There were no apologies.

Declarations of Conflicts of Interest

Councillor Brent declared a conflict of interest in respect of a matter discussed within public excluded item 8 ('Legal Update').

Public Forum

There were no public forum speakers.

Matters Lying on the Table

There were no matters lying on the table.

Confirmation of Agenda

It was moved (Councillor Gladding, Councillor Belk):

That the Risk & Assurance Committee resolve that the agenda be confirmed without addition or alteration.

Motion carried unanimously.

Confirmation of Minutes

The following amendments to the draft minutes were agreed (additions underlined/deletions ~~strike through~~ text/quotations from minutes in *italics*):

1. Risk Management Update, April 2026

(a) Add following:

“The report recommended that the Committee recommend to Council that it adopt version 3.”

Committee members agreed that the change in reporting line proposed in option 3 was appropriate, but that it would limit its recommendation to Council to adopt this change only, rather than to adopt version 3 of the proposed Risk Management Policy (per management’s recommendation in the paper), on the basis that members have further questions, observations and potential recommendations for changes to the Policy that they intend to discuss with management at the upcoming workshop on the Policy.

(b) Delete:

~~It was noted that this detail had not been included in the officer report because reports were submitted three weeks in advance of a meeting. Members suggested that scenario plans would be helpful.~~

Replace with:

Committee members explained to management that they would have expected to see scenario analysis in relation to the effects of oil price increases and volatility on the Council’s objectives and risk profile, ahead of the Committee meeting.

Katherine Harbrow noted that this detail had not been included in the officer report because reports were submitted three weeks in advance of a meeting. Members questioned if late papers could be circulated separately on an exception basis, if a matter arises of sufficient urgency and importance, and notwithstanding that, suggested that seeing scenario plans would be helpful.

Members noted that 24 of the 32 Tier 1 risks were sitting outside of the Council’s risk appetite and asked management for its views on whether it felt sufficient work was being done in the right areas to manage these risks back within appetite; or, whether it was possible that some risk appetite settings were not practical or realistic (for example, did not effectively recognise trade-offs between different risks). Gareth Noble acknowledged there was a discrepancy between approved risk appetites and actual risk levels, and that risk appetite would be subject to review at a workshop in June; and also commented that he viewed the willingness of risk owners to report that risks are outside of appetite as a positive indicator of a transparent attitude in risk reporting. Members agreed with this point on transparency and that the

workshop would be a good opportunity to get into the topic of risk appetite further; and also suggested reporting that more clearly differentiates between the highest priorities for risk mitigation will be helpful to the Committee in future.

2. Compliance Update, April 2026

After: “... emergency work under the Resource Management Act 1991 to divert treated wastewater into the Shotover River.” Add:

Some ~~44~~ members asked whether a post-incident review had been conducted, ~~as it was best practice to do so~~ and explained they would expect this to be done as a matter of course after significant events in order to learn from what had occurred and decisions made at the time. This was generally considered good practice. ~~was something that should be part of an effective Risk Management Policy.~~

4. Lakeview Development Programme — Background Summary and Current Status

After: “It would involve discussion about the Development Agreement and therefore may need to be a public excluded workshop.” Add:

Members noted that while there would be benefit in better understanding risk and assurance around the Lakeview project, in future members would also like to see a portfolio view’ of project risk, covering all strategically important projects.

It was moved (Councillor Gladding, Councillor Belk):

That the Risk & Assurance Committee resolve that minutes of the public part of a meeting of the Risk & Assurance Committee held on 19 April 2026 as amended be confirmed as a true and correct record.

Motion carried with Councillor Brent recording his vote against the motion.

1. Risk Management Update, June 2026

A report from Gareth Noble (Assurance & Risk Manager) provided an update on the status of the Queenstown Lakes District Council’s (QLDC) risk context and the overall programme of works being undertaken within the Assurance and Risk Team.

Gareth Noble presented the report and outlined changes made in response to Committee feedback to presentation of the Tier 1 risks. Members welcomed the revised format and discussed risk appetite ahead of the forthcoming workshop on the topic.

There was discussion about whether the Risk Register should better reflect the current relationship with Mana Whenua with respect to the Shotover Wastewater Treatment Plant WWTP. The Interim Chief Executive noted that whilst this was a difficult issue being worked through, the overall nature of the relationship was strong and she expected the current 'high' risk rating would eventually go down.

Members noted the value of reporting that more clearly identified priority risks sitting outside risk appetite and sought greater clarity on the drivers and scope of strategic risks. There was also discussion about the implications of legislative reform, fast-track consenting processes and the need for further reporting on funding and financing risks. The importance of recognising emergency management risks within future reporting was also noted.

It was moved (Councillor Gladding, Councillor Brent):

That the Risk & Assurance Committee resolve to:

1. **Note** the contents of this report.

Motion carried unanimously.

2. Assessment of the Effectiveness of the Risk Management Framework - June 2026

A covering report from Gareth Noble (Assurance & Risk Manager) introduced an independent desktop assessment of the effectiveness of Council's risk management framework undertaken by David Robson (Aon New Zealand Ltd). Mr Robson was also in attendance (online) at the meeting. The review had been undertaken because a six month review of the risk management framework was in the workplan.

Members acknowledged the positive findings contained within the report but observed that the review had been undertaken with a relatively narrow scope. Discussion focused on the extent to which the assessment considered governance arrangements and the integration of risk management across the wider organisation. It was suggested that an annual review may be more appropriate than a six-monthly reporting cycle and that future reviews would benefit from greater Committee input into determining the review scope. Ms Harbrow undertook to alter the workplan for this project to be undertaken annually.

Members agreed that the report provided a useful benchmarking exercise and supported a focus on treatment plans for the Council's highest-rated risks.

The Committee considered the five recommendations made in the report:

1. Proceed with Stage 3 automation of risk interdependencies

Continue to prioritise the development of the automated risk interdependency model. This will:

- Improve visibility of systemic and cascading risks, particularly relevant in a high-growth, infrastructure-intensive environment.
- Support more integrated planning decision making across business units and projects.
- Enhance governance understanding of how multiple risks could combine to impact service delivery, financial sustainability or community outcomes.

2. Standardise treatment plan expectations and guidance

Develop and communicate clear minimum standards for the use of the treatment plan section in the risk register, for example:

- To encourage engagement, every material risk to include at least one treatment with a defined action, owner, timeframe and success measure.
- Use attachments only as supporting evidence, not as a substitute for clearly articulated actions in the system.
- Provide short guidance examples (good/less good treatment statements) to support risk owners.
- Periodic spot-checks by the Assurance and Risk Manager, with feedback that has the relevant support which leads to action by risk owners, would help drive consistency.

3. Reflect on resource constraints

Acknowledge explicitly that time and resource constraints are a limiting factor and not unique to this Council. Within that reality:

- Use the risk appetite and tiered structure to identify where the greatest uplift in data quality and treatment planning is required (e.g. Tier 1 risks above appetite).

4. Deep-dive review of framework in practice

Building on this desktop review, commission a more detailed review of how the framework operates in practice, including:

- Observation of how risk is discussed and used in Executive and Risk and Assurance Committee meetings.
- Testing of a sample of risk and treatment records back to source documentation and operational practice.

- Interviews with selected risk owners to understand ease of use, barriers and improvement ideas to provide assurance that the strong design and documentation are being translated into consistent, effective practice.

5. **Periodic independent benchmarking** Given that the Council's framework already compares favourably with other councils, consider periodic (e.g. three-yearly) independent benchmarking or peer review. This would:

- Validate continued alignment with evolving good practice and ISO 31000 guidance.
- Provide external perspectives on emerging risks and innovations (particularly in automation and data analytics).
- Help maintain the Council's position as a leading example in the sector.

It was moved (Councillor Gladding, Councillor Belk):

That the Risk & Assurance Committee resolve to:

1. **Note** the contents of this report;
2. **Recommend** that Council proceed with recommendations 2 and 3 from within the attached report; and
3. **Approve** in principle recommendations 1, 4 and 5 from within the attached report but undertake no further action until further discussion with the committee.

Motion carried unanimously.

3. **Lakeview Development Programme — Background Summary and Current Status**

A report from Paul Speedy (Programme Director – Strategic Projects) provided an update on the Lakeview Development Programme, including delivery status, key risks, and assurance activities. The report advised that the programme was currently in the active delivery phase following the stage 1 commencement in February 2026, with progress aligned to the Development Agreement milestone framework. The risk position remained moderate and stable, reflecting delivery phase pressures but overall the programme was performing as expected, with no material change to risk and appropriate controls in place to support ongoing oversight.

Paul Speedy presented the report.

There was discussion about whether the risk reporting adequately reflected the programme's broader strategic objectives and if risks relating to achievement of those objectives should be more explicitly identified. Discussion also covered stakeholder risks, governance arrangements and the adequacy of the programme's control framework. Members expressed an interest in receiving further information regarding assurance arrangements for major projects and considered that a workshop on the Lakeview programme and broader project oversight would be beneficial. Clarification was also sought on future project milestones, including satisfaction of the Stage 2 conditions.

It was moved (Mr Hercus, Councillor Brent):

That the Risk & Assurance Committee resolve to:

1. **Note** the contents of this report.

Motion carried unanimously.

The meeting adjourned at 10.54 am and reconvened at 11.00am.

4. Climate Risk Update, June 2026

A report from Bill Nicoll (Resilience & Climate Action Manager) and Kirsty Pope (Senior Resilience & Climate Action Advisor) briefed the Risk & Assurance Committee on current national, regional and district-level climate risk assessment work and the implications for Queenstown Lakes District Council.

Ms Pearce, Mr Nicoll and Ms Pope presented the report. Mr Nicoll noted that his role covered emergency management and strategic hazard risk with a specific focus on climate risk.

Members welcomed the use of scenario planning and discussed the importance of understanding the implications of climate change over long-term planning horizons. Discussion focused on how climate risk information would inform Council's strategic planning, asset management and risk management frameworks, including the development of adaptive pathway planning. There was a significant interrelationship between climate risks and other strategic risks facing the organisation, including water infrastructure, transport networks and economic resilience.

The Committee emphasised the importance of ensuring that climate risk considerations were incorporated into future investment and planning decisions and acknowledged that this work was still at an early stage of development.

It was moved (Councillor Gladding, Councillor Belk):

That the Risk & Assurance Committee resolved to:

1. **Note** the contents of this report.

Motion carried unanimously.

5. Committee Workplan Review, June 2026

A report from Katherine Harbrow (General Manager, Assurance, Finance & Risk) introduced the Committee's workplan and invited feedback from members. In accordance with discussion earlier in the meeting, a Committee workshop on Lakeview was added to the workplan.

There was discussion about the frequency and purpose of various standing reports and whether there should be additional focus on significant strategic risks beyond those traditionally reported to the Committee. Discussion included the annual endorsement of the Internal Audit Plan, appropriate reporting thresholds for legal and regulatory risks, and the frequency of reviews of the effectiveness of the risk management framework.

There was a request to receive greater visibility of transition risks associated with the Water Services Council-controlled organisations. Other potential future workshops identified were spatial planning, strategic growth and network planning. It was noted however, that the two Council Controlled Organisations (Queenstown Airport and the Water Services CCO) were at different stages of their maturity and required different levels of reporting and oversight.

Members noted the need for further work on establishing principles and thresholds to guide reporting to the Committee and acknowledged that there were a number of significant projects underway across the organisation that may warrant future assurance oversight and which would need to be considered as part of the Internal Audit Plan.

It was moved (Councillor Gladding, Councillor Belk):

That the Risk & Assurance Committee resolved to:

1. **Note** the contents of this report, with the General Manager Assurance, Finance & Risk delegated to make minor changes to the workplan as discussed.

Motion carried unanimously.

Resolution to Exclude the Public

It was moved (Councillor Gladding, Mr Mouat):

That the Risk & Assurance Committee resolve that the public be excluded from the following parts of the meeting.

Motion carried unanimously.

The general subject of each matter to be considered whilst the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Confirmation of Minutes

- Item 7: Internal Assurance Report, April 2026
- Item 8: Cybersecurity Update
- Item 9: Legal Update
- Item 10: Meeting with Internal and External Auditors

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
Item 7: Internal Assurance Report, April 2026	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i> 7(2)(c)(i) to protect information where making it available would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied <i>Public Interest Consideration</i> While there is public interest in internal assurance activities at QLDC, this interest is outweighed by the interest in ensuring the ongoing availability of information from sources so as to maintain the integrity of fraud prevention and detection activities.	Section 7(2)(c)(i)
Item 8: Cybersecurity Update	That the public conduct of the whole or the relevant part of the	

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
	proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i> 7(2)(j) to prevent the disclosure or use of official information for improper gain or improper advantage. <i>Public Interest Consideration</i> The information contained in this report describes the Council's cybersecurity systems and could be used to inform a cyber-attack on the Council. Whilst it is acknowledged that there may be public interest in QLDC's cybersecurity arrangements, the heightened risk of cyber-attack if such information is disclosed outweighs the public release of such information.	Section 7(2)(j)
Item 9: Legal Update	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i> 7(2)(g) to maintain legal professional privilege <i>Public Interest Consideration</i> Legal privilege protects communications between a lawyer and a client which have been made for the purposes of giving and receiving legal advice. The contents	Section 7(2)(g)

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
	of this report are covered by legal privilege as the items in this report are matters that Council is seeking legal advice on that relate to legal proceedings (or threatened legal proceedings). Withholding the contents of this report from the public enables Council to obtain confidential legal advice about its position on legal issues without the risk of that advice being disclosed to another party (including the claimant) and disadvantaging the Council's position.	
Item 10: Meeting with Internal and External Auditors	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i> 7(2)(c)(i) to protect information where making it available would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied. <i>Public Interest Consideration</i> If this discussion were to take place with members of the public present, then those who provide information to the auditors when they conduct audits, including internal auditors, other staff and contractors may be less likely to provide fully candid responses.	Section 7(2)(c)(i)

Agenda items:

- Item 6: Cybersecurity Update
- Item 7: Internal Assurance Report, June 2026
- Item 8: Legal Update
- Item 9: Fuel Risk Verbal Update

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
Item 6: Cybersecurity Update	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i> 7(2)(j) to prevent the disclosure or use of official information for improper gain or improper advantage. The information contained in this report describes the Council's cybersecurity systems and could be used to inform a cyber-attack on the Council. <i>Public Interest Consideration</i> Whilst it is acknowledged that there may be public interest in QLDC's cybersecurity arrangements, the heightened risk of cyber-attack if such information is disclosed outweighs the public release of such information.	Section 7(2)(j)
Item 7: Internal Assurance Report, June 2026	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i>	Section 7(2)(c)(i)

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
	7(2)(c)(i) to protect information where making it available would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied. Disclosing the report could deter future cooperation from sources providing similar critical information, as it would erode the trust necessary for obtaining such information. Ensuring the ongoing availability of these sources is essential for public interest, particularly in maintaining the integrity of fraud prevention and detection efforts. <i>Public Interest Consideration</i> While there is public interest in internal assurance activities at QLDC, this interest is outweighed by the interest in ensuring the ongoing availability of information from sources so as to maintain the integrity of fraud prevention and detection activities.	
Item 8: Legal Update	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i> 7(2)(g) to maintain legal professional privilege Legal privilege protects the communications between a lawyer	Section 7(2)(g)

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
	and a client which have been made for the purposes of giving and receiving legal advice. The contents of this report are covered by legal privilege as the items in this report are matters that Council is seeking legal advice on that relate to legal proceedings (or threatened legal proceedings). <i>Public Interest Consideration</i> Withholding the contents of this report from the public enables Council to obtain confidential legal advice about its position on legal issues without the risk of that advice being disclosed to another party (including the claimant) and disadvantaging the Council's position.	
Item 9: Fuel Risk Verbal Update	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary: <i>Section and Grounds</i> 7(2)(i) to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations. The report will discuss areas of risk to the Council as a result of either limited access to fuel or greatly increased cost of fuel and will explain negotiations with suppliers.	Section 7(2)(i)

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
	<i>Public Interest Consideration</i> While there is strong public interest in this matter, the interest in protecting the Council's negotiating position in order to achieve the best outcome for ratepayers outweighs the public interest in this case.	

This recommendation is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

The meeting went into public excluded at 11.42am.

The meeting came out of public excluded and concluded at 12.29pm.

CHAIR

DATE