

RISK HEADING	CONTROL ASSESSMENT STATUS	MANAGEMENT IMPROVEMENT STATUS	OVERALL RISK LEVEL STATUS
<p><b>1. Non-compliance with Health &amp; Safety at Work Act 2015</b></p>	<p>The management and documentation framework manual is progressively being implemented.</p> <p>Further site hazard inspections will be scheduled on completion of initial seismic assessments for all buildings.</p>	<p>A co-ordinated approach to implementation of the legislation is under way. Draft implementation plans have been prepared to address the results to date of the hazard assessments of three properties. While some hazard responses have already been actioned most have been held over pending clarification of the Trust's future plans for the likes of High Street, Carterton.</p>	<p>A co-ordinated approach to implementation of the legislation is under way. The level of risk will fall as we work through the establishment of a management and documentation regime, and develop and implement an associated action plan.</p>
<p><b>2. Threat to rental income security</b></p>	<p>Trustees have identified strategic objectives of improving the WALT, reducing the proportion of Greytown based property making up its portfolio and reducing exposure to residential and to a lesser extent retail tenancies. Ability to influence these factors is limited in the short to medium term.</p> <p>The threat to rental income security incurred arising from business interruption is managed through insurance (threats to income security in the form of physical damage to Trust property are covered below).</p>	<p>Exposure to residential tenancies has been and will be significantly and permanently reduced through actual and imminent disposals. These and other disposals have had the effect of reducing the proportion of the total portfolio represented by Greytown properties. WALT has fallen due to the impact of agreeing very short term leases for vacant premises awaiting long term tenants eg. 64 Main Street. It is anticipated to improve in the near future. Progress on reducing exposure to retail tenancies has been minor.</p>	<p>Overall level of risk is assessed as moderate to low.</p>
<p><b>3. Severe earthquake, other natural disaster, fire, security or police emergency</b></p>	<p>Economic constraints mean it is not feasible to mitigate 100% of the risk associated with these types of event. However, residual earthquake, flood and fire risk are managed through insurance provision.</p>	<p>Recently completed seismic assessments have indicated the majority of properties in the Trust's portfolio currently achieve a satisfactory seismic rating.</p> <p>There are four properties where the risk is considered moderate to high. In two instances further detailed assessments will be undertaken to establish whether it</p>	<p>With information now to hand the level of seismic risk is considered moderate to low for most properties. Ditto flooding and fire.</p>

		is economic to mitigate this risk. Recent progress has been made in implementing a resolution to dispose of the other two properties.	
<b>4. Death or incapacity of a staff member impacts Trust operations</b>	In an environment where the operations of the Trust are reliant on the health of just two staff, mitigation of this risk is limited to implementing a combination of appropriate fall-back operating procedures and a business continuity plan	A BCP has been drafted and covers off this risk. Proposed back-up arrangements need to be confirmed.	Overall level of risk is assessed as moderate.
<b>5. Community disagreement with Trustees' decisions</b>	Trustees are sufficiently in tune with community sentiment to be able to assess when there is a requirement for public consultation. Disagreement is likely to be issue driven and not necessarily indicative of poor decision making.	Any action will be on a case by case basis, as they arise.	Overall level of risk is assessed as low.
<b>6. Community not kept adequately informed</b>	The principal control is compliance with LGOIMA. With recent improvements in making information available to beneficiaries, the level of compliance is assessed as high.	Management objectives of making agendas and Board papers available online for beneficiaries' information and publicising the Trust's annual plan have been met.	Overall level of risk is assessed as low.
<b>7. Perception by tenants of not bargaining in good faith</b>	The principal control is management clarity around Board expectations of new development and lease negotiations. No new criticisms have arisen around Trust dealings with prospective new tenants.	Better control has been achieved now that policy targets re. new development proposals have been set. Better control is being exercised over the wording of lease terms and conditions to ensure this is consistent from one lease to the next.	Overall level of risk is assessed as low.
<b>8. Non-compliance with Resource Management Act</b>	Recent events have identified a historical lapse in compliance that will require further local authority resource consent	Procedures need to be tightened up to ensure consent requirements are followed up and properly implemented.	Overall level of risk is assessed as moderate.

<b>1991</b>	approval to avoid having to undo infrastructure work undertaken by the Trust.		
<b>9. Loss of important computer data or paper based information</b>	Controls need to be improved over retention of critical information held in paper format. However the BCP process has identified that issues around non-cloud based computer files are minimal.	Progress is being made in identifying, collating and digitising paper documents needing to be held more securely.	Overall level of risk has been lowered but is still assessed as moderate.
<b>10. Non-compliance with Greytown District Trust Lands Act 1979</b>	Institutional knowledge, backed up by legal opinion where necessary, is key to ensuring compliance. This is well understood by Trustees/management.	Amendment of the Act to update and/or clarify provisions may deliver more certainty around compliance. A review needs to establish the requirements for change.	Overall level of risk is considered low at present but could worsen as institutional knowledge is lost.
<b>11. Non-compliance with Construction Contracts Act 2003</b>	The risk is highest when the Trust signs contracts covering new building construction.	The need to focus on compliance will increase when the Trust undertakes construction of another new building.	Overall level of risk is low at present but will change when the Trust has construction contracts under way.
<b>12. Non-compliance with Local Government Official Information and Meetings Act 1987</b>	See item 6. Compliance can be demonstrated by increased exposure of the Trust's affairs to public scrutiny.	See item 6 re. recent improvements relating to publication of information. The recent adoption of Standing Orders in order to formalise required procedures has further strengthened compliance.	See item 6. Overall level of risk is considered low.
<b>13. Community dividend does not meet community needs</b>	The purposes for which grants are awarded are governed by the Act. Current processes for advertising and handling grant applications are good.	The soon to be completed review of the current grant structure and allocation priorities should ensure community needs are met once identified changes are implemented.	Overall level of risk is assessed as low.
<b>14. Trust incurs loss through fraud, misappropriation of funds or theft in service</b>	Internal controls are generally good. Ensuring adequate separation of duties will at times be a challenge. Re-introduction of an Audit and Risk Committee should improve the control environment.	The Audit and Risk needs to identify the systems, processes and procedures it wishes to keep under review. Work on compiling an "operations manual" has yet to be finalised.	Overall level of risk is considered to be low.

<b>15. Community disagreement with way the Trust is operating</b>	The general lack of criticism of the Trust implies most beneficiaries are happy with the way it operates.	No further action needed	Overall level of risk is assessed as low
<b>16. Non-compliance with Charities Act 2005</b>	Annual reporting requirements are regularly met.	No further action needed.	Overall level of risk is assessed as low.
<b>17. Non-compliance with Building Act 2004</b>	Guidance is always sought around the need or otherwise for building consent for new construction and building alterations.	BWoF requirements in respect of a small number of properties need to be reconfirmed.	Overall level of risk is assessed as moderate to low.
<b>18. Non-compliance with Goods and Services Act 1985</b>	Routine GST accounting requirements are met. Specialist advice is sought around non-routine transactions. Standard “plus GST (if any)” wording is applied to property disposals.	No further action needed.	Overall level of risk is assessed as low.
<b>19. Value of Trust’s (community’s) equity is eroded</b>	The value of equity may fall due to property disposals but this will be offset by a reduction in debt, demonstrating the Trust’s prudent approach to management of its assets.	No further action needed.	The level of risk is assessed as low.
<b>20. Budgeting errors or unexpected income or cost results lead to losses</b>	The monitoring of and requirement for monthly reporting to the Board on financial performance provides adequate control.	No further action needed.	The level of risk is assessed as low.
<b>21. Trust breaches borrowing mandate or bank loan covenants</b>	Compliance with the borrowing mandate is monitored and reported to the Board monthly.	No further action needed.	The level of risk is assessed as low.
<b>22. Non-compliance with Financial Reporting Act 2013</b>	Compliance is monitored by the appointed auditors, who have to date reported no breaches and provided clean audit opinions.	Consultation by management with the appointed auditor ensures all new accounting and financial reporting requirements are identified prior to	The level of risk is assessed as low.

		preparation of annual financial statements.	
<b>23. Non-compliance with Property Law Act 2007</b>	Legal advice is typically sought regarding drafting of unusual leases or responses to significant breaches of lease terms that require action.	No further action required.	The level of risk is assessed as low.
<b>24. Non-compliance with Holidays Act 2003</b>	Control is adequate for just two employees.	No further action required	The level of risk is assessed as low.
<b>25. Non-compliance with Employment Relations Act 2000</b>	Control is adequate for just two employees.	No further action required	The level of risk is assessed as low.