



**Te Kaunihera
o Te Hiku o te Ika**
Far North District Council

SUPPLEMENTARY AGENDA

Te Miromiro Committee for Assurance, Risk and Finance Meeting

Tuesday, 12 May 2026

Time: 10:00 am
Location: Council Chamber
Memorial Ave
Kaikohe

Membership:

Chairperson Graeme McGlinn - Chairperson
Deputy Chairperson John Vujcich
Cr Rachel Baucke
Cr Felicity Foy
Cr Hilda Halkyard-Harawira
Cr Davina Smolders
(Ex-officio Member) Kahika - Mayor Moko Tepania
Independent Member Graham Naylor

Te Paeroa Mahi / Order of Business

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5.6	Local Government Reforms Head Start Pathway - FNDC implications, risks.....	4

5 NGĀ PŪRONGO TAIPITOPITO / INFORMATION REPORTS

5.6 LOCAL GOVERNMENT REFORMS HEAD START PATHWAY - FNDC IMPLICATIONS, RISKS

File Number: A5765386

Author: Roger Ackers, Head of Strategic Reform Initiatives

Authoriser: Guy Holroyd, Chief Executive Officer

TAKE PŪRONGO / PURPOSE OF THE REPORT

To assist Te Miromiro – Committee for Assurance, Risk and Finance in discharging its responsibility for oversight of risk management, internal control, financial discipline, and compliance, in relation to the Local Government Reform programme and the Government's Head Start pathway.

No decisions are sought through this report.

WHAKARĀPOPOTO MATUA / EXECUTIVE SUMMARY

Local Government Reform is a multi-year, high-uncertainty programme with material strategic, financial, and compliance risks. Council participation was approved on 1 April 2026 on a staged, decision-gated basis, with explicit limits on commitment to governance and planning activity only at this stage.

The Head Start pathway increases delivery and timing risk due to compressed timeframes and evolving legislative settings. The primary assurance focus is whether risk, control, and financial discipline arrangements remain robust as uncertainty persists.

TŪTOHUNGA / RECOMMENDATION

That Te Miromiro Committee for Assurance, Risk and Finance receive the report Local Government Reforms Head Start Pathway - FNDC implications, risks.

TĀHUHU KŌRERO / BACKGROUND

The Government is progressing a programme of Local Government Reform alongside implementation of the new planning system. A central element of this programme is the Head Start pathway, which enables groups of territorial authorities to voluntarily progress structural reform ahead of a compulsory backstop process following the 2028 local elections.

Northland councils are considering reform pathways while continuing to deliver statutory services and manage other significant change programmes.

The reform environment is characterised by uncertain legislative settings, evolving timelines, and interdependencies across multiple systems.

MATAPAKI ME NGĀ KŌWHIRINGA / DISCUSSION AND NEXT STEPS

Central Government Dependency Risk

- National decisions on reform scope, functions, and sequencing may materially affect programme direction and timing.
- Likelihood and impact assessed as High / High in the Council-approved programme risk register.

Assurance focus:

- Decision-gated progression; early engagement with officials; avoidance of commitments ahead of statutory triggers.

Governance and Timeline Risk

- Delays in establishing governance or work programmes could impact the ability to meet critical milestones, including readiness ahead of the 2028 elections.

Assurance focus:

- Clear milestones, regular reporting, and disciplined escalation through approved governance structures.

Inter-Council Alignment and Commitment Risk

- Inconsistent participation or commitment across councils may undermine programme delivery and regional alignment.

Assurance focus:

- Agreed roles and protocols endorsed through Chief Executives' and governance forums.

Capacity and Resourcing Risk

- Capacity constraints across councils, including overlap with other reforms (e.g. planning system change and LWDW implementation), present a High / High delivery risk.

Assurance focus

- Early use of external capacity; CE oversight of cross-programme dependencies; avoidance of over-commitment.

Representation and Electoral Uncertainty

- Government has not explicitly confirmed representation review requirements under the Head Start pathway.
- Late clarification could compress compliance and election-readiness timeframes.

Assurance focus:

- Continued compliance with existing statutory obligations; flexibility to accommodate later requirements without compromising control.

Controls and Mitigations in Place

- Staged, decision-gated programme approved by Council, limiting exposure to governance and planning activity only at this stage.
- Retention of full statutory decision-making authority by Council unless and until legislation provides otherwise.
- Programme-level risk register with identified mitigations and escalation pathways.
- CFO oversight of all reform-related financial commitments.

PĀNGA PŪTEA ME NGĀ WĀHANGA TAHUA / FINANCIAL IMPLICATIONS AND BUDGETARY PROVISION

This is an information-only report. No additional funding decisions are sought.

Financial risk is being managed through:

- staged progression;
- decision-gated resourcing; and
- existing budget oversight processes.

ĀPITIHINGA / ATTACHMENTS

1. **Risk Heatmap Report Head Start Pathway Local Government Reforms - A5766634**  



Heatmap Report

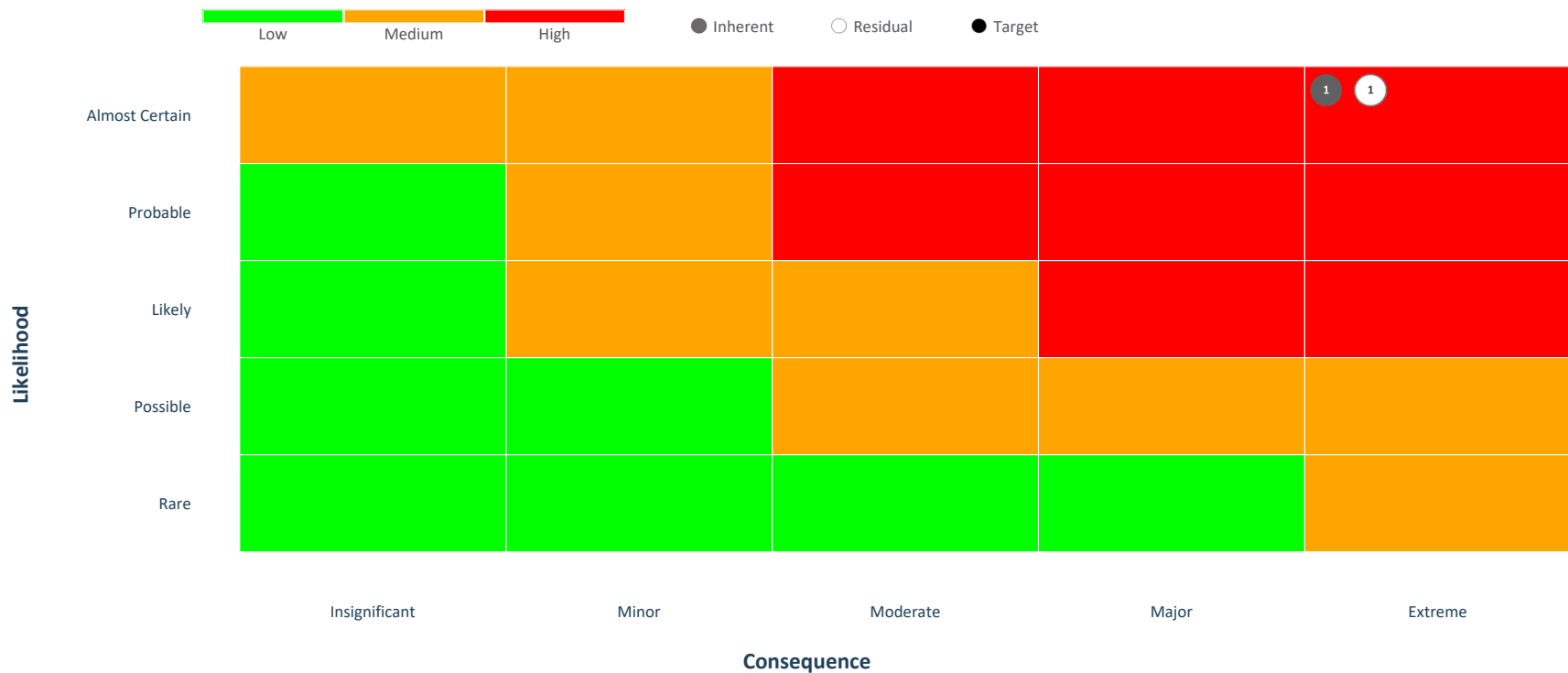
Far North District Council



Print Date: 07-May-2026



HEATMAP



RISK SUMMARY

Strategic Risk

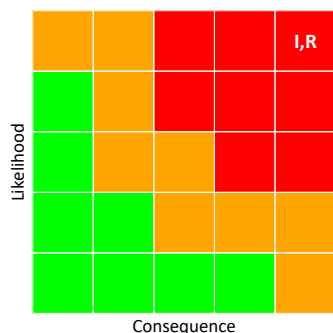
No.	Risk Title	Inherent	Residual	Target	Trend
1	RS23 - Government-Imposed Local Government Amalgamation Responsible Manager: Roger Ackers Risk Owner Comments: The government’s directive requiring councils to submit amalgamation proposals within three months presents a significant strategic risk to FNDC, with potential impacts across governance, service delivery, financial sustainability, and community identity. Proactive engagement and a council-led response are critical to retain influence over outcomes and mitigate the risk of imposed structural reform.	High	High		

RISK OVERVIEW

Strategic Risk

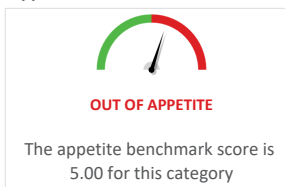
RS23	Government-Imposed Local Government Amalgamation			
Risk Categories: Financial, Customer Service Delivery	Responsible Manager: Roger Ackers	Executive Owner(s): Strategic Leadership Group	Last Reviewed Date:	Next Review Date: 20 May, 2026
Far North District Council				

Individual Heatmap



- I Inherent Risk Assessment
- R Residual Risk Assessment
- T Target Risk Assessment

Risk Appetite



Causes

- Central government reform directive and policy agenda
- Mandatory 3-month timeframe to submit proposals
- Uncertainty regarding final structure, evaluation criteria, and “backstop” process
- Lack of additional funding to support reform response
- Misalignment between neighbouring councils on preferred outcomes
- Financial pressures across the local government sector
- Limited internal capacity to respond at pace

Risk Owner Comments: The government’s directive requiring councils to submit amalgamation proposals within three months presents a significant strategic risk to FNDC, with potential impacts across governance, service delivery, financial sustainability, and community identity. Proactive engagement and a council-led response are critical to retain influence over outcomes and mitigate the risk of imposed structural reform.

Management Comments: -

Residual Controls

Control Title	Control Owner	Control Effectiveness Rating	Next Review Date
Budget	Roger Ackers	Substantially Effective	09 Jul, 2026
Control Comment: Three of four Councils have made a commitment via Council resolutions from NRC, WDC and FNDC to fund the Local Government Reform Process for the remainder of FY 25/26 and into the 27-37 Long Term Plan.			
InterCouncil staff working group	Roger Ackers	Substantially Effective	04 Jun, 2026
Control Comment: The working group has already been established and has developed a plan to respond to the Headstart Pathway Timelines			
Local Government Reforms Elected Member Steering Group	Roger Ackers	Substantially Effective	28 May, 2026
Control Comment: Elected Member Steering Group established and approved, with appointed elected members. The group has meet once and is assumed to be the governance group for the Head Start Proposal			

Residual Solutions

Far North District Council

Heatmap Report

Risk Treatment Action Title	Action Owner	Action Status	% Completed	End Date	Performance
Complete financial and service impact modelling	Charlie Billington	Not Started	0	05 Jul, 2026	 N/A
Comment: -					
Develop and submit FNDC-led proposal to central government	Strategic Leadership Group	Not Started	0	05 Aug, 2026	 N/A
Comment: -					
Develop preliminary transition and integration plan	Strategic Leadership Group	Not Started	0	05 Jun, 2026	 N/A
Comment: -					
Develop stakeholder and communications plan (community, iwi, staff)	Strategic Leadership Group	Not Started	0	13 May, 2026	 N/A
Comment: -					
Engage with neighbouring councils and regional partners	Guy Holroyd	Not Started	0	13 May, 2026	 N/A
Comment: -					
Establish Executive-led Reform Response Programme	Strategic Leadership Group	Not Started	0	13 May, 2026	 N/A
Comment: -					
Undertake strategic options analysis (including regional amalgamation scenarios)	Strategic Leadership Group	Not Started	0	13 May, 2026	 N/A
Comment: -					



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