

Kaupapa-here | Risk and Assurance Policy

Mō wai me te whānuitanga | Audience and scope

This policy applies to:

- a) all employees of Te Pūkenga, including contracted staff, secondees providing services for Te Pūkenga and those on fixed-term contracts (collectively referred to as Kaimahi in this policy); and
- b) where appropriate, Ohu Kaitiaki, which extends to all those operating at a governance level, including Council members and members of Council's advisory committees.

Mokamoka whakaaetanga | Approval details

Version number	2	Issue date	1 March 2023
Approval authority	Te Pūkenga Council	Date of approval	1 March 2023
Policy sponsor (has authority to make minor amendments)	Chief of Staff	Policy owner	Council
Contact person	Ziena Jalil	Date of next review	TBC

Ngā whakatikatika | Amendment history

Version	Effective date	Created/reviewed by	Reason for review/comment
1	1 March 2023	Sinead Hart	Initial version
2	1 September 2024	Jodie Banner	Updates to align with revision of the Risk Management Framework and current operating context.

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Kaupapa-here | Risk and Assurance Policy

1. Pūtake | Purpose

The purpose of this policy is to set out the overarching principles that will enable Te Pūkenga to manage risk well and uphold high standards of risk governance, management and assurance.

2. Ngā Mātāpono | Principles

- 2.1. Risk is inherent in all activities and at all levels across Te Pūkenga. Risk management is everybody's business.
- 2.2. Te Pūkenga will operate and maintain comprehensive risk management and compliance practices (aligned with International Standard Risk Management – Guidelines) to effectively identify and manage risks that threaten the organisation achieving its strategic and operational objectives.
- 2.3. Te Pūkenga will maintain a Risk Management Framework that applies network-wide and which provides for a consistent approach to the identification, management and reporting of risk by all functions and business divisions across Te Pūkenga.
- 2.4. To meet its strategic objectives Te Pūkenga will manage risk in an agile and responsive manner and within the parameters of its risk appetite.
- 2.5. The reporting and disclosure of risk is to be made in accordance with the Risk Management Framework. The internal Risk and Assurance function will provide objective and independent assurance and advice to the Executive Leadership Team (ELT), Finance, Risk and Audit Committee (FRAC) and Te Pūkenga Council (Council) in relation to the adequacy of the processes and systems of internal controls within the organisation's environment.
- 2.6. An Enterprise Risk Register will be maintained at a strategic level that is dynamically and formally reviewed by the strategic risk owners. The register will be kept under consideration by ELT, the Finance, Risk and Audit Committee and Te Pūkenga Council.
- 2.7. A core risk of Te Pūkenga is statutory compliance. Te Pūkenga will ensure processes are in place to not only identify the legislation it is obliged to comply with, but also monitoring the levels of compliance across the organisation and implementing change and/or mitigations where necessary.
- 2.8. Internal audit is a key component of the risk and assurance function at Te Pūkenga. Te Pūkenga will maintain a fit for purpose internal audit function which will be responsible for carrying out (or procuring external support to carry out) risk-based internal audit reviews to provide independent assurance on matters of risk, compliance and internal control. It is the responsibility of management to act on recommendations that arise from the risk-based reviews.
- 2.9. Te Pūkenga will maintain an Internal Audit Charter which defines the purpose, authority and responsibility of all internal audit activity performed within Te Pūkenga. Content and recommendations in relation to the Enterprise Risk Register will inform Te Pūkenga internal audit programme.

Governance and oversight principles

- 2.10 Te Pūkenga Business Division Leads are accountable in the first instance to Te Pūkenga Chief Executive for the identification and management of risk. Business Division Leads have ultimate responsibility to Te Pūkenga Chief Executive to ensure that risk and regulatory compliance is appropriately managed and to ensure that appropriate reports are submitted to the Finance, Risk and Audit Committee / Council of Te Pūkenga as outlined in the Risk Management Framework, while at all times having regard to the need for Te Pūkenga to operate on a “no surprises” basis.
- 2.11 This same standard of identification and management of risk applies to the Chief Executive of Te Pūkenga and the need to ensure the Finance, Risk and Audit Committee / Council of Te Pūkenga are aware of significant risks across Te Pūkenga.
- 2.12 Where strategic risk matters fall outside management’s scope of accountability, the Council will assume responsibility for their identification and management.

3. Ngā Haepapa | Responsibilities

Role	Responsibilities
Te Pūkenga Council	Accountability for risk management and legal compliance at Te Pūkenga
Finance, Risk and Audit Committee	<p>The provision of oversight of the audit and risk functions as identified in the specific roles and responsibilities in the Finance, Risk and Audit Committee Terms of Reference.</p> <p>Monitor the management of material risks, and ensure that appropriate procedures and plans are in place to mitigate or manage those risks to acceptable levels.</p> <p>Approve the Risk and Assurance Policy and Risk Management Framework, including the risk appetite statement.</p>
Chief Executive	Accountable for ensuring there are appropriate processes in place across the network for risk management and legal compliance.
Chief of Staff	To oversee the recruitment and retention of appropriate staff to achieve the objectives of the risk and audit functions.
Executive Leadership Team	<p>Responsible for endorsing and championing the application of the Risk and Assurance Policy and Risk Management Framework.</p> <p>Take ownership of risks within area of responsibility and ensure such risks are appropriately managed.</p>
Business Division Leads	<p>Responsible for ensuring the division has processes in place to identify, assess, manage and report risk.</p> <p>Report key risks through to the CE as part of monthly reporting, provide divisional risk register to Director Risk and Assurance as required.</p>

	Use information derived through risk management to inform planning and decision-making processes; and promote risk awareness and a risk management culture within the business division.
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4. Ngā Tikanga | Definitions

Term	Definition
Assurance	An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes within Te Pūkenga
Internal Audit	An independent, objective assurance activity which adds value by improving Te Pūkenga operations through a systematic, disciplined approach to evaluate and improve the effectiveness of Te Pūkenga processes to achieve their objectives.
Internal Audit Framework	The formal document that defines purpose, authority, and responsibility for internal audit within Te Pūkenga.
Internal Auditor	Provides independent and objective evaluations of organisational financial and/or operational business activities.
Internal Audit Function	Either an 'in-house' internal audit service delivery model, 'co-sourced' or an 'out-sourced' internal audit service delivery model. The service delivery model selected will provide assurance, independent from operational management, risk management, control, and governance processes
Risk	An uncertainty that, if it occurs, will impact on the strategic and operational objectives of Te Pūkenga. Risk is expressed in terms of risk source, potential event, consequence, and likelihood.
Risk Management	Coordinated activity to direct and control an organisation regarding risk.
Risk Management Framework	The foundational risk document outlining organisational arrangements for designing, implementing, monitoring, reviewing and continuously improving risk management throughout Te Pūkenga.

5. Ngā Hononga ki Tuhinga kē | Links to Other Documents

<p>Ngā Kaupapa-Here e Hāngai ana Related policies</p> <ul style="list-style-type: none"> Conflicts of Interest Policy Delegations Policy National Fraud and Corruption Policy Sensitive Expenditure Policy Official Information Policy Procurement Policy Protected Disclosures Policy
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Ngā Tukanga me ngā Hātepe | Processes, procedures

Te Pūkenga Risk Management Framework
Protected Disclosures Procedure

Ture whai take | Relevant legislation

Education and Training Act 2020