

Entered by Board Secretary

AGENDA ITEM 16.2 BOARD DECISION PAPER	
To:	The Board
From:	Ryan Marshall, Compliance Manager
Reviewed:	Rodger Murphy, Head of Risk & Legal Dean Kimpton, Chief Executive
Date:	20 August 2024
Title:	Tier 1 Policies

Aronga / Purpose

1. To seek approval of the Risk Management Policy, Business Continuity and Recovery Management Policy and Gifts and Hospitality Policy (together the Policies).

Tuku mana / Delegation

2. Board approval is sought for Auckland Transport’s (AT’s) Tier 1 Policies.

Ngā tūtohunga / Recommendations

That the Auckland Transport Board (board):

- a) approves the Risk Management Policy.
- b) approves the Business Continuity and Recovery Management Policy.
- c) approves the Gifts and Hospitality Policy.

Te whakarāpopototanga matua / Executive summary

3. The Policies have been updated and refreshed as part of the standard policy review cycle.

4. Wording has been updated to be more readable and understandable, and hyperlinks have been added to relevant supporting information and documents.
5. A new core principle replaces a previous one in the Business Continuity and Recovery Management Policy (discussed below).
6. The Gifts and Hospitality Policy has been rewritten and simplified into five key principles. Policy wording has been simplified, and the criteria for accepting gifts has been updated to align with Auckland Council’s “justifiable business purpose” approach.

Ngā tuhinga ō mua / Previous deliberations

7. The Policies were last reviewed and approved by the board in 2021.

Date	Report Title	Key Outcomes
13 August 2024	Tier 1 Policies	<ul style="list-style-type: none"> Recommended that the board approve the Policies.
Finance and Assurance Committee		<ul style="list-style-type: none"> Suggested minor changes to the Gifts and Hospitality Policy, to allow for exceptions to restricted gifts, provided an approvals process is followed. We updated the Gifts and Hospitality Policy to reflect those changes, which are tracked in Attachment 3.

Te horopaki / Background

8. AT regularly reviews and updates its policies to ensure that they are fit-for-purpose, reflect leading practice, address key risk areas in the organisation and align to Auckland Council direction. Policies that are strategic in nature, have reputational impact or provide direction on important operational activities have been classified as Tier 1 policies. Tier 1 policies are approved by the board.

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Te hononga ki te “Statement of Intent 2024-2027”/ Alignment to Statement of Intent 2024–2027

9. While AT’s policies do not align to specific principles in the Statement of Intent, they help to address strategic and operational risks across the organisation and provide guidance on what, why and how we do our work. This enables the business to carry out its activities which align to the Statement of Intent.

Me mōhio koe / What you need to know

Risk Management Policy

10. There have been minor wording changes to the policy. This has been to reflect new titles following AT’s restructure and redesign.
11. A diagram summarising the risk management principles has also been added, to summarise and help with understanding.

Business Continuity and Recovery Management Policy

12. The scope of the policy now clarifies that it doesn’t apply to the business continuity management or policies of third parties.
13. It includes an introduction in the ‘Principles’ section which outlines the objectives of business continuity and recovery management. This was adapted from the ‘Purpose’ section of the current policy.
14. We have also removed the previous principle of “Prepared for major operational disruptions” and replaced it with “Critical business functions and their interactions are identified and assessed”. This was done to clarify the understanding and requirements of the principle.
15. The detail supporting each principle has been reviewed and, where necessary, re-written in a simplified format to aide with understanding.
16. The supporting and related documents have also been reviewed and refreshed.

Gifts and Hospitality Policy

17. This policy has been re-written to be in a more conversational tone, to help make it easier to read and understand.
18. While the content has not changed significantly from the existing policy, the new draft policy has been simplified into five key principles, with the content included within these principles:
 - a. We protect AT’s reputation.
 - b. We only accept gifts with a justifiable business purpose.
 - c. We declare all gift offers.
 - d. Some gifts aren’t acceptable.
 - e. We consider whether AT can pay instead.
19. Accepting gifts has been amended so that it aligns with Auckland Council’s gifts policy. This policy now requires that for any gift to be accepted it must have a ‘justifiable business purpose’.
20. ‘Token’ gifts (i.e. under \$30) are still acceptable in the new policy. Risk & Legal have also agreed with the Executive Leadership Team to review the \$30 value periodically to ensure that reflects inflationary pressures, where appropriate.
21. An exceptions section has been added, and Koha has been noted as specifically being excluded from the policy.
22. The restricted gifts section has been simplified (see “Some gifts aren’t acceptable” principle), with dinners being added as a restriction (unless discussed and agreed with a manager).
23. The limit of three token gifts per year has been amended to four, to align with quarters and the potential for quarterly catchups.
24. The exceptions process for gifts has been updated so that only approval from an Executive Director is required. Currently the policy requires approval from and Executive Director and the Chief Executive.

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- 25. Definitions for ‘modest hospitality’ and ‘justifiable business purpose’ have been added.
- 26. The policy owner has been updated to the Head of Risk & Legal (was previously Director People & Performance), and roles and responsibilities for Risk & Legal have been updated accordingly.

Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

27. N/A.

Ka whaiwhakaaro ki te Tiakanga Taiao / Climate change and sustainability considerations

28. N/A.

Ngā whakaaweawe atu anō / Other impacts

Relationship	Consulted Y/N	Views and Perspectives Received
Māori	Yes: <input type="checkbox"/> No: <input type="checkbox"/>	N/A
Elected members	Yes: <input type="checkbox"/> No: <input type="checkbox"/>	N/A
Council Controlled Organisations	Yes: <input type="checkbox"/> No: <input type="checkbox"/>	N/A

Ā muri ake nei / Next steps

- 29. If approved by the board, the Policies will be published on AT’s Intranet and communicated to the business.

Ngā whakapiringa / Attachments

Attachment #	Description
1.	Risk Management Policy
2.	Business Continuity and Recovery Management Policy
3.	Gifts and Hospitality Policy

Te pou whenua tuinga / Document ownership

Submitted by	Recommended by	Approved for submission
Ryan Marshall Compliance Manager	Rodger Murphy Head of Risk & Legal	Dean Kimpton Chief Executive
		