

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	THURSDAY 11 NOVEMBER 2021	8:32AM

Minutes of a meeting of the Audit and Risk Committee held on Thursday 11 November 2021, commencing at 8:32am via zoom.

PRESENT:	Cr Stuart Campbell	(Chairperson)
	Mayor Helen Worboys	
	Cr Shane Casey	
	Cr Grant Hadfield	
	Cr Hilary Humphrey	
	Cr Phil Marsh	
	Cr Alison Short	
	John Fowke	Via zoom
IN ATTENDANCE:	Shayne Harris	(Chief Executive)
	Hamish Waugh	(General Manager – Infrastructure)
	Michael Hawker	(Acting General Manager – Community and Strategy)
	Amanda Calman	(Chief Financial Officer)
	Steph Skinner	(Governance Officer)
	Brook Rush	(Safety and Wellbeing Adviser)
	Andrew van Bussel	(Operations Manager, Water and Wastewater)
	Kieron McLoughlin	(Water and Wastewater Treatment Operator)
	Adam Jamieson	(Rangitikei District Council Treatment Operator)

ARC 21/141 MEETING OPENING

The Chairperson declared the meeting open.

ARC 21/142 APOLOGIES

There were no apologies.

RESOLVED

That the apologies for lateness from Her Worship the Mayor Helen Worboys and Chief Executive Shayne Harris be accepted.

Moved by: Councillor Phil Marsh

Seconded by: Councillor Hilary Humphrey

CARRIED

ARC 21/143 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Audit and Risk Committee meeting held 12 August 2021 be adopted as a true and correct record, with an amendment to item ARC21/135 Notification of Items for Next Meeting: that Councillor Hilary Humphrey explicitly asked for the Procurement Policy to be brought to the next meeting, 11 November 2021, for review.

Moved by: Councillor Alison short

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Seconded by: Councillor Grant Hadfield

CARRIED

ARC 21/144 DECLARATIONS OF INTEREST

There were no declarations of interest.

ARC 21/145 NOTIFICATION OF LATE ITEMS

There were no late items notified for consideration.

ARC 21/146 PRESENTATION – SAFETY AND WELLBEING DEEP DIVE – OPERATIONS

The General Manager – Infrastructure, Hamish Waugh introduced Brook Rush, Safety and Wellbeing Adviser and Water and Wastewater Operations staff Andrew van Bussel Kieron McLoughlin, and Adam Jamieson who were available to answer questions through the presentation.

- Health and Safety representatives were available at both Rangitikei and Manawatū District Councils, who share water and wastewater services.

Her Worship the Mayor Helen Worboys joined the meeting at 8.46am

- Brook Rush talked through the risks identified by the operations teams.
- GetHomeSafe may not be the ideal solution for the operations team as they were often in and out of reception coverage making it difficult to check in.

Chief Executive Shayne Harris joined the meeting at 8.53am

- Brook Rush gave an update on the Strategic Activity plan.

ARC 21/147 ANNUAL REPORT TO 30 JUNE 2021

Report of the Chief Executive dated 18 October 2021 presenting the draft Annual Report for the year ending 30 June 2021 and detail the process required to adopt the Annual Report.

- Amanda Calman, Chief Financial Officer talked about the lateness of this report due to COVID and Audit New Zealand coming later than usual, in mid-November.
- Amanda Calman discussed key items, including capex, external budget, the investment policy, key movements/variances etc.
- Committee members reviewed report points, seeking clarification.
- Councillor Stuart Campbell asked if there was any communications planned for promoting the Annual Report, referring to a recent Hastings District Council video.

Councillor Hilary Humphrey left the meeting at 9.36am and rejoined at 9.38am

RECOMMENDED

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That the Council receive the draft Annual Report for the year ended 30 June 2021.

That the Mayor and Chief Executive be delegated authority to make any minor changes requested by Audit New Zealand and to sign the Statement of Compliance and Responsibility that is contained within the Annual Report for the year ending 30 June 2021.

Moved by: Councillor Shane Casey

Seconded by: Her Worship Helen Worboys

CARRIED

ARC 21/148 QUARTERLY PERFORMANCE REPORT TO 30 SEPTEMBER 2021

Report of the Chief Executive dated 13 October 2021 providing a summary both financial and non-financial performance against the targets outlined within year one of the 10 year plan (Referred to as Annual Plan 21/22).

- Chief Financial Officer, Amanda Calman talked to the Quarterly Performance Report highlighting specific areas of interest or itemising areas for clarification.
- Chief Executive, Shayne Harris advised Council was still using consultants in the Planning and RMA space. Staff shortages were high in this area.
- Amanda Calman advised she would bring back some trend reporting on levels of service, as previously requested by Councillor Hilary Humphrey.

John Fowke left the meeting at 9.55am

RECOMMENDED

That the Council receive the Quarterly Performance Report and the Treasury Report to 30 September 2021.

Moved by: Councillor Phil Marsh

Seconded by: Her Worship Helen Worboys

CARRIED

ARC 21/149 INTERNAL AUDIT PROGRAMME UPDATE 30 SEPTEMBER 2021

Report of the Chief Executive dated 29 October 2021 presenting an update to the Audit and Risk Committee on the internal audit program for 2021/22.

- Two internal audits are priority early 2022. Cotton Kelly will audit the Sensitive Expenditure Policy. Deloitte will audit the GST and FBT Policy being completed to IRD approved standards.

RESOLVED

That the Audit and Risk Committee receive the internal audit program update.

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Moved by: Councillor Grant Hadfield

Seconded by: Councillor Shane Casey

CARRIED

ARC 21/150 UPDATE FROM GOVERNANCE HEALTH AND SAFETY REPRESENTATIVE

Progress update from the Council's Governance Health and Safety Representative Councillor Phil Marsh.

- Councillor Phil Marsh advised he had nothing to report this meeting.
- Members mentioned a significant increase in boy racers and burn outs in the district.

ARC 21/151 UPDATE - COVID AND WHERE COUNCIL IS AT

Progress update from General Manager – Infrastructure, Hamish Waugh on Council's COVID response:

- Council were following Government guidelines for EOTC (Education Outside the Classroom) and vaccination requirements for staff interacting with public and children. This identified 45 staff, who had been issued a letter requiring vaccination compliance as per education sector.
- A voluntary survey was published to staff to identify their vaccination status. Elected members had also been included in this survey.
- MBIE (Ministry of Business, Innovation and Employment) have a framework for risk assessing specific roles and Council were waiting to see if government mandate vaccinations to work in local government.

ARC 21/152 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

ARC 21/153 NOTIFICATION OF ITEMS FOR RISK REGISTER

Councillor Hilary Humphrey asked if 3 waters and the wider implications across the Council organisation should be included in the risk register. After discussion it was decided, yes this should be included, however it was too early to fully identify the risks.

ARC 21/154 NOTIFICATION OF ITEMS FOR NEXT MEETING

- **PROCUREMENT POLICY** - Councillor Hilary Humphrey expressed her disappointment around the progress on the Procurement Policy, asking were systems in place in terms of workflow to review this. The General Manager – Infrastructure, Hamish Waugh advised this would go to a council workshop for guidance on what changes the wider council would like made to this policy. Bring back in 2022.

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- RATES CALCULATIONS - Councillor Stuart Campbell asked the Chief Financial Officer to provide a report on improving the internal control system regarding the calculation of rates for the next meeting.
- OAG RISK MANAGEMENT PRACTICES - Michael Hawker, Acting General Manager – Community and Strategy talked about the OAG (Office of the Auditor-General New Zealand) Risk Management Practices and would bring these to a future Audit and Risk meeting for information around risk appetite and decision making.

ARC 21/155 MEETING CLOSURE

The meeting closed at 10.24am.