

MINUTES	MEETING	TIME
<b>AUDIT AND RISK COMMITTEE</b>	<b>THURSDAY 13 MAY 2021</b>	<b>9:30AM</b>

Minutes of a meeting of the Audit and Risk Committee held on Thursday 13 May 2021, commencing at 9:30am in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

PRESENT:	Cr Stuart Campbell	(Chairperson)
	Mayor Helen Worboys	
	Cr Grant Hadfield	
	Cr Hilary Humphrey	
	Cr Phil Marsh	
	John Fowke	
APOLOGIES:	Cr Alison Short	
	Cr Shane Casey	
IN ATTENDANCE:	Cr Andrew Quarrie	
	Cr Michael Ford	
	Rachael Dean	(Internal Auditor – Cotton Kelly Smit Limited)
	Shayne Harris	(Acting Chief Executive)
	Karel Boakes	(Acting General Manager – Corporate and Regulatory)
	Hamish Waugh	(General Manager – Infrastructure)
	Frances Smorti	(General Manager – People and Culture)
	Mathew Bayliss	(Acting General Manager – Community and Strategy)
	Rebecca Bell	(Strategy Manager)
	Amanda Calman	(Chief Financial Officer)
	John Jones	(Roading Manager)
	Paul Greig	(Acting Regulatory Manager)
	Aimee Burroughs	(Acting Building Services Team Leader)
	Pennie Smith	(Environmental Health Officer)
	Bryan Senior	(Information Technology Manager)
	Allie Dunn	(Governance Team Leader)

#### ARC 21/104 MEETING OPENING

The Chairperson declared the meeting open.

#### ARC 21/105 APOLOGIES

##### RESOLVED

**That the apologies from Councillors Alison Short and Shane Casey, and from Her Worship the Mayor for lateness, be accepted.**

**Moved by: John Fowke**

**Seconded by: Councillor Phil Marsh**

**CARRIED**

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AUDIT AND RISK COMMITTEE	THURSDAY 13 MAY 2021	9:30AM

ARC 21/106 CONFIRMATION OF MINUTES

**RESOLVED**

**That the minutes of the Audit and Risk Committee meeting held 11 February 2021 be adopted as a true and correct record.**

**Moved by: Councillor Phil Marsh**

**Seconded by: Councillor Grant Hadfield**

**CARRIED**

*Her Worship the Mayor joined the meeting at 9:32am.*

ARC 21/107 DECLARATIONS OF INTEREST

There were no declarations of interest.

ARC 21/108 NOTIFICATION OF LATE ITEMS

There were no late items notified for consideration.

ARC 21/109 HEALTH AND SAFETY DEEP DIVE – COMPLIANCE AND BUILDING SERVICES

The General Manager – People and Culture, accompanied by the Acting Building Services Team Leader, the Compliance and Enforcement Team Leader, gave a presentation about the recent Health and Safety Deep Dive and site visit attended by Audit and Risk Committee members. They spoke about compliance issues faced on a day to day business, and noted that the Council was a finalist in the New Zealand Health and Safety Work Place Awards.

Questions were asked to clarify:

- The use of the Get Home Safe App and potential roll out to elected members;
- The Risky Situations Register used by Council;
- The process for laying complaints about dangerous dogs;
- The provision of driver training by external provider;
- The process for inspecting high risk situations, e.g underneath relocated buildings;
- Health and Safety requirements for contractors;
- That building and compliance officers were not required to drive any specialist machinery; and
- The communication channels between the two Council sites for the shared building services arrangement.

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	THURSDAY 13 MAY 2021	9:30AM

ARC 21/110 10YP 2021-31 CONSULTATION DOCUMENT MANAGEMENT REPORT FROM AUDIT NZ

Report of the Acting General Manager – Community and Strategy dated 3 May 2021 presenting the draft Audit New Zealand report on the 10 Year Plan consultation document. With regard to [quality asset data and asset management improvement programmes](#)~~asset revaluations~~, it was asked whether a separate report could be provided to the committee. The Acting Chief Executive advised an update could be provided in six months on progress.

It was noted that the final report from Audit New Zealand was not yet available, however this would be brought to a future meeting of the Audit and Risk Committee for formal receipt.

**RESOLVED**

- 1) **That the Audit and Risk Committee receive the draft report on the 10 Year Plan consultation document; and**
- 2) **That the Audit and Risk Committee note the management comments contained in the draft report.**

**Moved by: Councillor Phil Marsh**

**Seconded by: John Fowke**

**CARRIED**

ARC 21/111 MANAWATU DISTRICT COUNCIL FINAL TECHNICAL AUDIT REPORT 2020 (NZTA)

Report of the General Manager – Infrastructure dated 9 February 2021 presenting the findings of the Waka Kotahi Investment Audit Report: Technical Audit of Manawātū District Council.

**RESOLVED**

**That the Audit and Risk Committee receive the Waka Kotahi Investment Audit Report: Technical Audit of Manawātū District Council.**

**Moved by: Councillor Grant Hadfield**

**Seconded by: Councillor Phil Marsh**

**CARRIED**

ARC 21/112 QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2021

Report of the Acting General Manager – Corporate and Regulatory dated 29 April 2021 providing a summary to 31 March 2021 of the Council’s performance against 2020-21 Annual Plan including the financial performance, levels of service and Health and Safety combined with the Bancorp Treasury update.

MINUTES	MEETING	TIME
<b>AUDIT AND RISK COMMITTEE</b>	<b>THURSDAY 13 MAY 2021</b>	<b>9:30AM</b>

It was asked that a fully detailed financial report for the Council Nursery's past six years of operation, and projections for the next two years, be provided to the next meeting of the Audit and Risk Committee.

It was noted that an offer had been received from Council's Treasury Advisers to provide a session on Treasury matters for committee members. The committee members expressed their agreement to this.

**RECOMMENDED**

**That the Council receive the Quarterly Performance Report and the Bancorp Treasury Report for the period ended 31 March 2021.**

**Moved by: Her Worship the Mayor**

**Seconded by: Councillor Phil Marsh**

**CARRIED**

ARC 21/113 UPDATE ON INTERNAL AUDIT

A progress update was provided by Acting Chief Executive, noting that the Council was following the internal audit plan agreed to by the committee. He noted one of the items on the internal audit plan was being reported in the public excluded session of this meeting.

ARC 21/114 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.

ARC 21/115 NOTIFICATION OF ITEMS FOR NEXT MEETING

- A detailed financial report on nursery operation for last six years and projections for next two years
- An update was requested on progress with the committee's previous request for a method that would allow members to see progress for items requested and reasons for delays. An update was provided that an improvement for the agenda workflow system would be implemented once the Council's electronic document and records management system had been upgraded.

ARC 21/116 PUBLIC EXCLUDED BUSINESS

**RESOLVED**

**That the public be excluded from the following parts of the proceedings of this meeting, namely:**

- a) **Manawatu District Council Network Security Audit**
- b) **Internal Audit Report – Incoming Cash Handling**

MINUTES	MEETING	TIME
AUDIT AND RISK COMMITTEE	THURSDAY 13 MAY 2021	9:30AM

That the general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under Section 48(1) for the passing of this resolution
a) Manawatu District Council Network Security Audit	Section 7(2)(j) - prevent the disclosure or use of official information for improper gain or improper advantage.	Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.
b) Internal Audit Report – Incoming Cash Handling	As above.	As above.

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

Also that Rachael Dean, of Cotton Kelly Smit Ltd, be permitted to remain at this meeting after the public has been excluded, to enable her to speak to the Internal Audit Report.

Moved by: Councillor Grant Hadfield

Seconded by: Councillor Phil Marsh

**CARRIED**

*The meeting went into public excluded session at 11:26am. For items ARC 21/117 to ARC 21/120 refer to public excluded proceedings. The meeting returned to open session at 11:36am.*

ARC 21/121 MEETING CLOSURE

The meeting closed at 11:37am.