



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 26 SEPTEMBER 2024	8:30 AM

Minutes of a meeting of the Audit & Risk Committee meeting held on Thursday 26 September 2024, which commenced at 8.30 am in the Manawātū District Council Chambers, 135 Manchester Street, Feilding.

PRESENT: Cr Stuart Campbell Chairperson  
Mr John Fowke Independent Member  
Cr Lara Blackmore  
Cr Grant Hadfield (via Zoom)  
Cr Colin McFadzean  
Cr Alison Short  
Mayor Helen Worboys

IN ATTENDANCE: Hamish Waugh Acting Chief Executive  
Lyn Daly General Manager – Community  
Amanda Calman Chief Financial Officer  
Ash Garstang Governance and Assurance Manager  
Andrew Leighton  
Anna Dellow  
Cr Fiona Underwood  
Cr Andrew Quarrie  
Cr Steve Bielski  
Cr Michael Ford  
Cr Bridget Bell (via Zoom)  
Cr Kerry Quigley

ARC 22-25/134

MEETING OPENING

ARC 22-25/135

APOLOGIES

There were no apologies.

ARC 22-25/136

CONFIRMATION OF MINUTES

RESOLVED

**That the minutes of the Audit & Risk Committee meeting held 13 June 2024 be adopted as a true and correct record.**

**Moved by: Mayor Helen Worboys**

**Seconded by: Cr Lara Blackmore**

**CARRIED (7-0)**

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ARC 22-25/137

#### DECLARATIONS OF INTEREST

There were no declarations of interest.

ARC 22-25/138

#### PRESENTATION – SAFETY AND WELLBEING DEEP DIVE– COMMUNICATIONS & ENGAGEMENT, AND INFORMATION SERVICES TEAMS

Andrew Leighton (Safety and Wellbeing Adviser) provided an overview of health, safety and wellbeing risks for the Communications & Engagement and Information Services Teams.

Andrew Leighton also covered elected member’s due diligence responsibilities for health and safety.

ARC 22-25/139

#### PRESENTATION – CREDIT RATING UPDATE

Amanda Calman (Chief Financial Officer) provided an overview of the benefits and costs of seeking an independent credit rating. Highlights of this discussion included:

- Now is a good time to look at this as there is more certainty around three waters remaining in Council’s ownership
- Becoming credit rated would increase the “net debt / total revenue” threshold with the Local Government Funding Agency (LGFA), lifting it up to 280%
- The LGFA provides lower interest rates if Council’s have credit ratings in the ‘A’ range
- Existing debt would retain their interest rates until renewed. New debt would receive the discounted interest rate (if MDC is credit rated)
- Seeking a credit rating requires annual costs, and due to the lower interest rates only applying to new and renewed debt, it would take several years for the Council to financially benefit (depending on the rating received)
- The Council could seek a shadow rating at the cost of around \$15,000. This would give the Council a better understanding of whether it is worth the investment to seek a full rating. Elected members decided that this was not worth pursuing

#### RESOLVED

**The Committee recommends that the Council:**

- 1. Consider as part of the Annual Plan 2025/26 process the costs of applying for a credit rating.**

**Moved by: Mayor Helen Worboys**

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**Seconded by: Cr Colin McFadzean**

**CARRIED (7-0)**

ARC 22-25/140

NOTIFICATION OF LATE ITEMS

There were no late items of business notified for consideration.

ARC 22-25/141

COMMITTEE WORKPLAN UPDATE

Report of the General Manager – People and Corporate.

**RESOLVED**

**That the Audit and Risk Committee Workplan Update be received.**

**Moved by: Cr Stuart Campbell**

**Seconded by: Mr John Fowke**

**CARRIED (7-0)**

ARC 22-25/142

LGOIMA REQUESTS: 27 MAY – 09 SEPTEMBER 2024

Report of the General Manager – People and Corporate.

**RESOLVED**

**That the report detailing the requests for information received under the Local Government Official Information and Meetings Act 1987 from 27 May 2024 to 09 September 2024 be received.**

**Moved by: Cr Alison Short**

**Seconded by: Mayor Helen Worboys**

**CARRIED (7-0)**

ARC 22-25/143

SAFETY AND WELLBEING QUARTERLY REPORT Q4, 2023/24

Report of the General Manager – People and Corporate.

**RESOLVED**

**That the Audit and Risk Committee receives the Safety and Wellbeing report for quarter four of the 2023-24 year.**

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**Moved by: Cr Lara Blackmore**

**Seconded by: Mayor Helen Worboys**

**CARRIED (7-0)**

ARC 22-25/144

QUARTERLY REPORT TO 30 JUNE 2024

Report of the Chief Financial Officer.

**RESOLVED**

**The Audit and Risk Committee recommends that the Council:**

- **Receive the Quarterly Performance Report and Treasury Report to 30 June 2024.**

**Moved by: Mayor Helen Worboys**

**Seconded by: Cr Lara Blackmore**

**CARRIED (7-0)**

*The meeting was adjourned at 10.00 am and reconvened at 10.20 am.*

ARC 22-25/145

DRAFT ANNUAL REPORT FOR THE YEAR ENDING 30 JUNE 2024

Report of the Chief Financial Officer.

**RESOLVED**

**The Audit and Risk Committee recommends that the Council:**

- **Receive the draft Annual Report for the year ended 30 June 2024 and approve its release to Audit NZ.**

**Moved by: Mayor Helen Worboys**

**Seconded by: Mr John Fowke**

**CARRIED (7-0)**

ARC 22-25/146

INTERNAL CONTROLS UPDATE

Report of the General Manager – People and Corporate.

**RESOLVED**

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**That the Committee receives the Internal Controls Update, covering the period 02 June to 08 September 2024.**

**Moved by: Cr Lara Blackmore**

**Seconded by: Cr Alison Short**

**CARRIED (7-0)**

ARC 22-25/147

INTERNAL AUDIT UPDATE

Report of the General Manager – People and Corporate.

**RESOLVED**

**That the Committee receives the Internal Audit Update.**

**Moved by: Cr Lara Blackmore**

**Seconded by: Cr Alison Short**

**CARRIED (7-0)**

ARC 22-25/148

STRATEGIC RISKS

Report of the General Manager – People and Corporate.

**RESOLVED**

**That the Committee notes the seven strategic risks presented in this report for discussion.**

**Moved by: Cr Alison Short**

**Seconded by: Cr Colin McFadzean**

**CARRIED (7-0)**

ARC 22-25/149

CONSIDERATION OF LATE ITEMS

There were no late items notified for consideration.

ARC 22-25/150

UPDATE FROM GOVERNANCE HEALTH AND SAFETY REPRESENTATIVE

No update.

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ARC 22-25/151

NOTIFICATION OF ITEMS FOR RISK REGISTER

There were no items to be added to the risk register.

ARC 22-25/152

NOTIFICATION OF ITEMS FOR NEXT MEETING

There were no additional items to be added to the agenda for the next meeting.

ARC 22-25/153

PUBLIC EXCLUDED BUSINESS

**RESOLVED**

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

1. **Confirmation of Minutes; 13 June 2024**
2. **Key Projects Report**

**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
13.1 Confirmation of Minutes; 13 June 2024	<i>To consider the accuracy of the minutes of the public excluded Audit &amp; Risk Committee meeting on 13 June 2024.</i>	s48(1)(a)
13.2 Key Projects Report	s7(2)(f)(ii) – effective conduct of public affairs  <i>This report is public excluded as it contains detailed information on the status of key reports, which may include sensitive and/or commercially-related information</i>	s48(1)(a)

**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.**



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**Moved by:** Cr Stuart Campbell

**Seconded by:** Mayor Helen Worboys

**CARRIED (7-0)**

*The meeting went into public excluded session at 10.50 am. For items ARC 22-25/154 to ARC 22-25/156 refer to public excluded proceedings. The meeting returned to open session at 11.41 am.*

ARC 22-25/157

MEETING CLOSURE

The meeting was declared closed at 11.41 am.

### **Meeting Video**

<https://www.mdc.govt.nz/about-council/meetings-agendas-and-minutes/videos-of-council-and-committee-meetings/audit-and-risk-committee-meeting-videos>