



# **A G E N D A**

## **Finance, Audit and Risk Committee**

**Council Chambers  
36 Weld Street  
Hokitika**

**Thursday 13 December 2018  
Commencing at 10.00 am**

Deputy Mayor L.J. Martin – Chairperson  
His Worship the Mayor R.B. Smith  
Deputy Mayor Cr H.M. Lash  
Crs D.L. Carruthers, Gray Eatwell, J.A. Neale,  
D.M.J. Havill ONZM, G.L. Olson, D.C. Routhan  
Kw. Francois Tumahai, Te Rūnanga o Ngāti Waewae  
Kw. Tim Rochford, Te Rūnanga o Makaawhio



## FINANCE, AUDIT AND RISK COMMITTEE

AGENDA FOR A MEETING OF THE FINANCE, AUDIT AND RISK COMMITTEE, TO BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 13 DECEMBER 2018 COMMENCING AT 10.00 AM

### COUNCIL VISION

We work with the people of Westland to grow and protect our Communities, our Economy and our unique natural environment.

#### **Purpose:**

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action, by and on behalf of, communities; and
- (b) To meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

#### **1. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:**

##### **1.1 Apologies & Leave of Absence**

Kw. Francois Tumahai, Te Rūnanga o Ngāti Waewae

##### **1.2 Interest Register**

## **2. CONFIRMATION OF MINUTES:**

**2.1 Finance, Audit and Risk Committee Meeting– 22 November 2018** (Pages 4-7)

## **3. REPORTS FOR INFORMATION:**

Nil.

## **4. REPORTS FOR DECISION:**

Nil.

## **5. ITEMS FOR DISCUSSION:**

**5.1 Finance, Audit and Risk Committee Rolling Workplan** (Page 8)

## **6. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'**

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

**6.1 Confidential Minutes – 22 November 2018.**

**6.2 Fraud Framework and Draft Fraud Policy.**

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

<b>Item No.</b>	<b>Minutes/ Report of</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
6.1	Confidential Minutes – 22 November 2018	Confidential Minutes	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)
6.2	Fraud Framework and Draft Fraud Policy	Confidential Report	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)

# Finance, Audit and Risk Committee Minutes

MINUTES OF A MEETING OF THE FINANCE, AUDIT AND RISK COMMITTEE OF WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 22 NOVEMBER 2018 COMMENCING AT 9.30 AM

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## 1. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:

### 1.1 Members Present

Deputy Mayor Cr L.J. Martin (Chair)  
His Worship the Mayor R.B. Smith  
Deputy Mayor H.M. Lash  
Crs D.M.J. Havill (ONZM), J.A. Neale, G.L Olson, D.C Routhan, Cr Gray Eatwell,  
Cr D.L Carruthers  
Kw. Francois Tumahai, Te Rūnanga o Ngāti Waewae

### Apologies and Leave of Absence

Nil.

### Absent:

Kw. Tim Rochford Te Rūnanga o Makaawhio

### Staff in Attendance:

S.R. Bastion, Chief Executive; L.A. Crichton, Group Manager: Corporate Services;  
D.M. Maitland, Executive Assistant.

### 1.2 Interest Register

The Chair circulated the Interest Register and no amendments were noted.

## **2. CONFIRMATION OF MINUTES:**

### **2.1 Finance, Audit and Risk Committee Meeting – 25 October 2018.**

Moved Kw. Tumahai, seconded His Worship the Mayor and **Resolved** that the Minutes of the Finance, Audit and Risk Committee Meeting held on the 25 October 2018 be confirmed as a true and correct record of the meeting.

## **3. REPORTS FOR INFORMATION**

### **3.1 Financial Performance: October 2018**

The Finance Manager spoke to this report and advised that the purpose of the report is to provide an indication of Council's financial performance for four months to 31 October 2018.

The following items were raised:

October Debt Position – Page 14

It was agreed that the Finance Manager would provide clarification on what is included in the budget titled "Other" in the "Debt position per month" on Page 14 of the Committee Agenda and report back to Councillors.

Council Approved Unbudgetted Expenditure – Page 17

Clarification was sought on the Unbudgetted Expenditure on Page 17 of the Committee Agenda with regard to the wording "Council Approved..." and it was agreed that the Finance Manager would amend the title on this page.

Moved Cr Havill, seconded Kw. Tumahai and **Resolved** that the Financial Performance Report to the 31 October 2018 be received.

## **4. REPORTS FOR DECISION**

### **4.1 Insurance Arrangements 2018-2019**

The Group Manager: Corporate Services spoke to the report and advised the purpose of the report is to present the Committee with the Council's insurance arrangements for the year ending 1 November 2019, noting the increase in insurance costs. The Council had been asked to increase the indemnity limits on some items, and that some items would be on-charged to Destination Westland and Westland Holdings Limited.

It was agreed that the Group Manager: Corporate Services report back on the amount of Council's insurance excess.

Moved Deputy Mayor Lash, seconded Cr Olson and **Resolved** that:

- A) The Committee approve the renewal of material damage, liability and indemnity insurances with the increased Indemnity limits as proposed by AON for \$278,878.91 excluding GST, as attached the Agenda.
- B) The Committee approve the increase in limit from \$250m to \$300m, and renewal of underground infrastructure insurance for \$95,487 excluding GST.
- C) The Committee approve Council staff to request AON to obtain drone liability insurance at the approximate cost quoted of \$660.

## 5. **ITEMS FOR DISCUSSION**

### 5.1 **Finance, Audit and Risk Committee Rolling Workplan**

The Group Manager: Corporate Services provided an update on the Committee Workplan, noting the following items:

- 1. Timeframes have been adjusted as required.
- 2. The final report for the Fraud Control Framework Review has been received and this will be presented to the 13 December 2018 Committee Meeting in the Public Excluded Section, along with a Draft Fraud Policy.

Moved Cr Havill, seconded Cr Olson and **Resolved** that the Finance Audit and Risk Committee October Rolling Workplan be received.

## 6. **PUBLIC EXCLUDED SECTION**

Moved Cr Eatwell, seconded Cr Neale and **Resolved** that the Finance, Audit and Risk Committee confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 10.15 am.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

### 6.1 **Confidential Minutes – 25 October 2018**

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
6.1	Confidential Minutes 25 October 2018	Confidential Minutes – Finance, Audit and Risk Committee	Good reasons to withhold exist under Section 7	Section 48(1)(a) & (d)

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

No.	Item	Section
6.1	Protect the privacy of natural persons, including that of deceased natural persons.	Section 7(2)(a)
	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 7(2)(i)

Moved His Worship the Mayor, seconded Cr Havill and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and accordingly the meeting went back to the open part of the meeting at 10.31 am.

**MEETING CLOSED AT 10.31 AM**

Confirmed by:

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**Deputy Mayor Latham Martin**  
**Chair – Finance, Audit and Risk Committee**

\_\_\_\_\_  
**Date**

**FINANCE, AUDIT AND RISK COMMITTEE ROLLING WORK PLAN**

Item	Dec-18	Jan-19	Feb-19	Mar-19	April-19	May-19	June-19	July-19	Aug-19	Sept-19	Oct-19	Nov-19
<b>External Audit</b>			Audit Management Report 2017/18  Meet Audit Director if necessary				Interim Audit 2018/19			Note - Final Audit Annual Report 2018/19 begins  Interim Audit Management Report 2018/19 – review action to be taken by management		
<b>Financial Reporting</b>	<b>NOTE</b> No Financial report due to early Council meeting	Quarterly Report to December 2018			Quarterly Report to March 2019				Verbal update on year end		Quarterly Report to September 2019 Review Audited Annual Report 2018/19 – for recommendation of adoption to Council	
<b>Insurance</b>												Valuation Information  Renewal
<b>Risk Management Framework</b>		Review Risk Register			Review Risk Register			Update on Health & Safety Legislation  Review Risk Register			Review Risk Register	
<b>Internal Control Framework</b>	Review PwC Fraud Control Framework Review document.  Adopt Fraud Control Framework  Adopt revised Fraud Policy		Update – Fraud Control Progress			Update – Fraud Control Progress			Update – Fraud Control Progress			