



AUDIT AND RISK COMMITTEE MINUTES

MINUTES OF THE INAUGURAL MEETING OF THE AUDIT AND RISK COMMITTEE MEETING, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON TUESDAY 17 MARCH 2020 COMMENCING AT 1.00 PM

1. MEMBERS PRESENT AND APOLOGIES

Chairperson: Rachael Dean
Members: Cr Hart Cr Neale

NGĀ WHAKAPAAHA APOLOGIES

His Worship the Mayor
Kw Madgwick
Kw Tumahai

Moved Cr Hart, seconded Cr Neale and **Resolved** that the apologies from His Worship the Mayor, Kw Madgwick and Kw Tumahai be received and accepted.

STAFF PRESENT

S.R. Bastion, Chief Executive; L. Crichton, Group Manager: Corporate Services; T. Cook, Regulatory Services Manager; D.M. Maitland; Executive Assistant and Council Secretary; E. Rae, Strategy and Communications Advisor.

Rachael Dean, Chair of the Committee introduced herself to the group and welcomed all those attending the meeting.

Cr Hart and Cr Neale then introduced themselves to all those in attendance.

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register was circulated and the following additions to the register were noted by the Chairperson:

Rachael Dean:

- Ministerial appointed Councillor – NZ Game Animal Council.
- Senior Internal Auditor – CKS Audit and Assurance – client base included MWLASS Councils:
 - Horowhenua District Council
 - Tararua District Council
 - Manawatu District Council
 - Whanganui District Council

- Horizons Regional Council
- Palmerston North City Council
- Ruapehu District Council
- Rangitikei District Council

3. STAFF REPORTS

- **Audit and Risk Committee - Terms of Reference**

The Group Manager: Corporate Services advised that the purpose of the report is to receive the Terms of Reference for the Audit and Risk Committee, as adopted by Council on the 27 February 2020.

Moved Rachael Dean, seconded Cr Neale and **Resolved** that the Committee adopt the Terms of Reference (ToR) for the Audit and Risk Committee adopted by Council on the 27 February 2020; and include the ToR on the action plan for review at the November 2020 meeting.

- **Quarter 2 Financial Report**

The Group Manager: Corporate Services advised that the purpose of the report is for the Committee to review the performance of Council as at December 2019.

Key items noted:

- Page 29 – Solid Waste Renewal, no balance or renewals noted. There is no depreciation reserve.
- Staffing in the Finance Team – one role is yet to be filled.
- Reserves Bank Consultation on the use of cash – community feedback had been sought.
Action Item:
 - The outcome of the community consultation, which the Community Development Officer attended, to be followed up on.
- Stormwater network and pipe upgrades. The CE advised that capital expenditure has been noted in the Long Term Plan and the Annual Plan. There is still to be more planning to be done in this regard.
- Solid Waste – The CE advised that there is a modest increase in expenditure due to anticipated less waste.
- Freedom Camping – The CE advised that Council will be joining the Ambassador programme in 2021 and Council has been fully recompensed for capital and operational costs with 100% recovery to date. For this season the costs have increased, mainly due to travel costs.

Moved Rachael Dean seconded Cr Hart and **Resolved** that the Committee receives the Quarter 2 Financial Report as at December 2019 and the verbal update.

- **Investment and Liability Management Policy Review**

The Group Manager: Corporate Services spoke to this item and advised that the purpose of the report is to receive the draft updated Liability Management Policy and the Investment Policy that have been reviewed by PwC with marked up changes for review. The reason for the update is for Council to become a Guarantor Council.

Moved Rachel Dean, seconded Cr Neale and Resolved that the Committee adopt the Liability Management Policy and the Investment Policy as attached to the agenda.

4. **KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED**

(to consider and adopt confidential items)

Moved Rachael Dean, seconded Cr Neale and **Resolved** that the 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 1.25 pm.

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.	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
1.	Health and Safety Initiatives	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason or withholding exists. Section 48(1)(a)
2.	Risk Register	Good reasons to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason or withholding exists. Section 48(1)(a)

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

Item No.	Interest
1	Protect the privacy of natural persons, including that of deceased natural persons
1, 2	Protect information where the making available of the information: (i) would disclose a trade secret; and (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (Schedule 7(2)(b)).
1, 2	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (Schedule 7(2)(i))

Moved Rachael Dean, seconded Cr Neale 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 2.14 pm

**DATE OF NEXT EXTRAORDINARY AUDIT AND RISK
COMMITTEE MEETING – 7 MAY 2020**

MEETING CLOSED AT 2.14 PM

Confirmed by:

Rachael Dean
Chair

Date