



FINANCE, AUDIT AND RISK COMMITTEE MINUTES

**MINUTES OF A MEETING OF THE FINANCE, AUDIT AND RISK COMMITTEE,
HELD AT THE ARAHURA MARAE, 1 OLD CHRISTCHURCH ROAD, ARAHURA
ON THURSDAY 22 AUGUST 2019 COMMENCING AT 9.50 AM**

PRESENT

Chairperson: Cr Martin (Deputy)
Members: His Worship the Mayor Cr Lash (Deputy)
Cr Eatwell Cr Neale
Cr Routhan Cr Olson
Cr Havill ONZM Cr Carruthers
Kw Tumahai

1. KARAKIA TĪMATANGA OPENING KARAKIA

The Opening Karakia was read by the Chair, Deputy Mayor Martin.

2. NGĀ WHAKAPAAHA APOLOGIES

Nil.

ABSENT

Kw Rasmussen and Kw Rasmussen.

STAFF PRESENT

S.R. Bastion, Chief Executive; L.A. Crichton, Group Manager: Corporate Services; F. Scadden, Planning and Customer Services Manager; E. Bencich, Operations Manager; T.A. Cook, Regulatory Services Manager; D.M. Maitland, Executive Assistant and Committee Secretary.

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register was circulated and no amendments were made at the meeting.

4. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

There were no urgent items of business that were not on the Committee Agenda.

5. **NGĀ MENETI O TE HUI KOMITI** **MINUTES OF COMMITTEE MEETING – 25 JULY 2019**

Deputy Mayor Martin advised that the Minutes of the previous Committee Meeting had been circulated to Councillors separately.

Moved Cr Carruthers, seconded Cr Havill and **Resolved** that the Minutes of the Finance, Audit and Risk Committee Meeting, held on the 25 July 2019 be confirmed as a true and correct record of the meeting.

6. **PŪRONGO KAIMAHI** **STAFF REPORTS**

6.1 **Fraud Control**

The Group Manager: Corporate Services advised that there is a Quarterly Report to the Committee in the Public Excluded Section of the meeting.

The Group Manager: Corporate Services then provided an update on the progress made with regard to Fraud Control.

Moved Deputy Mayor Lash, seconded Cr Routhan and **Resolved** that the verbal report from the Group Manager: Corporate Services regarding Fraud Control be received.

6.2 **Year End**

The Group Manager: Corporate Services provided a verbal update on the Year End as follows:

- Staff are still working through adjustments and Council is looking at break even as far as the surplus deficit is concerned.
- Infrastructure assets are still being revaluated.
- Asset Information Data was incorrect last time and the process had been carried out by an independent group. Council had been unable to obtain information from the group on how the asset information had been revaluated.
- Council is on time to meet the Audit and for sign-off purposes with Audit New Zealand. Noted that the CCO timelines is quite late and that the companies should be talking with Audit New Zealand.
- More effort is required to be put into budgeting and projects that go over their budget.
- The Chief Executive advised that Council staff are putting rigour around understanding our scoping and doing our projects and the associated risk analysis around projects.
- Deputy Mayor Martin noted that the Council's Annual Report will need to be adopted by the new Council by the 31 October 2019.

- The Group Manager: Corporate Services noted that:
 - i) Finance costs are much lower than expected. The Local Government Funding Agency (LGFA) provides extremely good rates.
 - ii) Landfill provision – the movement is a lot lower.

Moved Kw Tumahai, seconded Cr Neale and **Resolved** that the verbal update from the Group Manager: Corporate Services be received.

6.3 Financial Performance – July 2019

The Group Manager: Corporate Services advised that the purpose of the report is to provide an indication of Council's financial performance for one month to the 31 July 2019.

A new Sustainability Report had been included this time in the Report to the Committee which provided a snapshot of Total Revenue, Total Expenditure and the Total Surplus/Deficit. There were no forecasts included in the report.

Local Government Funding Agency Covenants

Council is well within the limit at 5.25%.

An error on page 10 of the report in the Interest to Operating Revenue which stated 2.07% which should have read 2.28%.

Revenue and Expenditure Graphs

There will be notes to the accounts for the year end. The report provided is the first report for the month and accordingly no notes have been included.

Cr Neale asked that the costs of the Fox Landfill refer to the flood event.

Deputy Mayor Martin asked that the Carnegie Building not come under unbudgeted expenditure and a line be included about that on the report. Deputy Mayor Martin noted that the cash position of Council is positive and Council has the ability to continue operations as planned.

Moved Cr Neale, seconded Cr Havill and **Resolved** that the Council receive the Financial Performance Report to 31 July 2019 and Council congratulated the Group Manager: Corporate Services on the new reporting format.

7. WORKPLAN

The Group Manager Corporate Services spoke to the Rolling Workplan and advised that this is rolled forward one month.

Moved Cr Olson, seconded Deputy Mayor Lash and **Resolved** that the Committee Receives the Rolling Workplan.

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

Moved Cr Neale, seconded Kw Tumahai and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987, at 10.52 am.

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.	Confidential Minutes – 25 July 2019	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.	Whistleblower Report	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) 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 (Schedule 7(2)(a)) Avoid prejudice to measures protecting the health or safety of members of the public (Schedule 7(2)(d)) Maintain legal professional privilege (Schedule 7(2)(g))
2.	Maintain legal professional privilege (Schedule 7(2)(g)) Protect the privacy of natural persons, including that of deceased natural persons (Schedule 7(2)(a))

Moved Cr Neale, seconded His Worship the Mayor 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 11.03 am.

MEETING CLOSED AT 11.03 AM

Confirmed by:

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

Date