WAIMAKARIRI DISTRICT COUNCIL

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD IN THE COUNCIL CHAMBERS, 215 HIGH STREET, RANGIORA, ON TUESDAY 19 JULY 2016 AT 4:00PM

PRESENT

Councillor N Atkinson (Chairperson), Deputy Mayor K Felstead, Councillors J Gerard, P Farrant and K Barnett.

IN ATTENDANCE

Messrs J Palmer (Chief Executive), J Millward (Manager Finance and Business Support), Ms L Ashton (Human Resources Manager), Ms S Nichols (Governance Manager) and Mrs A Smith (Committee Advisor).

1. APOLOGIES

An apology was received and sustained from Mayor D Ayers.

2. CONFLICTS OF INTEREST

There were no conflicts of interest noted.

3. CONFIRMATION OF MINUTES

3.1 Minutes of a meeting of the Audit Committee held on Tuesday 17 May 2016

Moved Councillor Gerard seconded Councillor Barnett

THAT the Audit Committee

(a) Confirms as a true and correct record, the minutes of a meeting of the Audit Committee held on 17 May 2016.

CARRIED

4. MATTERS ARISING

There were no matters arising.

5. PRESENTATION/DEPUTATION

There were no presentations
6. REPORTS

6.1 Audit New Zealand’s Interim Audit Report for the year ending 30 June 2016 – Jeff Millward (Manager Finance and Business Support)

Jeff Millward presented this report presenting Audit New Zealand’s interim audit management report year ending 30 June 2016. Apologies were noted from representatives of Audit New Zealand. The areas requiring correction or improvement which were raised by Audit New Zealand are all currently being corrected. Mr Millward also noted the response times in the Customer Service Request system has been amended.

With regard to performance measures reported against in the LTP process, it was noted that some recording of information has not been accurate and there is now a better process in place to record this. Mr Millward pointed out that this is mandatory for this type of reporting.

Councillor Barnett asked when is there going to be some improvements in the Service Request System and has concerns that there is not a follow up response in the system to advise that the request has been completed. Mr Millward said that what he is seeing from the data the response fix time is good, but there needs to be improvement in the response back to the individual who has put the request in.

With regard to members of the public reporting customer service requests, Mr Millward said reporting through the website is most reliable, but using Snap Send Solve is convenient to use smartphones to send information/photos directly. There is some work required for customer services involved in integrating these requests from Snap Send Solve into the Council system. Mr Millward said integrating the two systems is likely to be in place before Christmas 2016.

Deputy Mayor Felstead Moved seconded Councillor Gerard

THAT the Audit Committee:

(a) Receives report N°. 160708065532
(b) Receives Audit New Zealand’s Second Interim Management Report for the year ending 30 June 2016.
(c) Notes there are no significant matters arising from the interim audit, however there are a number of recommendations made within the report that require improvements to be made and Management have provided comments to each of the findings and recommendations by Audit New Zealand.
(d) Notes there will be a further report to the Audit Committee on the progress of the recommendations.

CARRIED
6.2 **Enterprise North Canterbury 2016/17 Statement of Intent and Business Plan and District Promotions Plan – Simon Markham (Manager Strategy and Engagement)**

Mr Millward spoke to this report, seeking to adopt the ENC proposed Statement of Intent for the 2016/17 year and adopt the ENC proposed District Promotions Business Plan for 2016/17.

Mr Palmer noted that the focus of the proposed Statement of Intent will be on two core strategic objectives, around business and district promotions. The attached ENC proposed overall 2016/17 Business Plan and the proposed 2016/17 District Promotions Plan, reflect a change in focus with a more strategic and online approach to business attraction. The recently created Council role of Business and Centres Manager (Simon Hart) was noted and the importance stressed for such a role to be attracting new business into the district.

Councillor Barnett enquired about the marketing campaign in Christchurch that the Council contributed towards, which is noted in **Goal Two: Marketing and Coordination** of the Business Promotion report. It was agreed that Mr Palmer will provide an update on where this campaign is currently at.

Moved Councillor Gerard seconded Deputy Mayor Felstead

**THAT** the Audit Committee:

(a) **Receives** Report No. 160712066793

(b) **Adopts** Enterprise North Canterbury’s (ENC) proposed Statement of Intent (SOI) for the 2016/17 year

(c) **Receives** Enterprise North Canterbury’s 2016/17 Business Plan

(d) **Adopts** Enterprise North Canterbury’s proposed District Promotions Business Plan for 2016/17

CARRIED

6.3 **Health and Safety Update June 2016 – Liz Ashton (Human Resource Manager)**

Ms Liz Ashton presented this report with a key summary of health and safety activities.

Following a question from Councillor Farrant, Liz provided an overview of the areas within the Council where the highest volume of accidents and incidents occur and the recording of these. The Aquatic Centres are high in this regard but Ms Ashton advised that any issues are well managed by the staff at these centres.

Ms Ashton noted that the significant changes are with the Contractors who do work for the Council and the work being done with contractors to achieve Sitewise registration. Some contractors are being provided with a significant level of coaching and guidance to reach the compliance required. The Water Unit has shown marked improvement with regard for health and safety issues.
ACC accreditation of contractors – Mr Palmer provided an update on this process, advising that there has been some discussion on the possibility of other organisations providing accreditation for contractors. The cost of $180 is relatively inexpensive to achieve compliance. If there are different mechanisms available for this, then these could be given further consideration by the Council.

Moved Councillor Atkinson seconded Councillor Farrant

**THAT** the Audit Committee:

(a) **Receives** report No.160712066896.

(b) **Notes** that there are no significant Health & Safety concerns across the organisation to date.

(c) **Acknowledges** the work which is currently being completed by the Health & Safety Advisor, Managers and Team members.

(d) **Provides feedback** on the content of this report which supports Councillors discharging their legislative duty of care.

**CARRIED**

6.4 **Shared Service Business Process Review – Fraud, Conflict of Interest and Sensitive expenditure – Jeff Millward (Manager Finance and Business Support)**

This report presents the findings of the shared service business process that reviewed our fraud, conflict of interest and sensitive expenditure policies and processes, that was undertaken with Deloittes and eleven other South Island local authorities. The area that this Council did not do well in, was not having a Conflict of Interest Policy, particularly a Conflict of Interest Register for Councillors and Senior management. Such a register for Councillors would include areas or businesses that any Councillor has interests in. There also needs to be more information provided in Council or committee minutes of the reasons that an elected member has noted a conflict of interest in relation to any items that are on the agenda for that meeting.

N3 card – Councillor Doody asked if these would be available for Councillors and it was agreed that these could be provided while in office.

Moved Councillor Gerard seconded Deputy Mayor Felstead

**THAT** the Audit Committee

(a) **Receives** report No. 160708065572

(b) **Receives** Shared Service Business Process Review from Deloittes June 2016 (TRIM 160707065246)

(c) **Supports** the establishment of a Conflicts of Interest Policy, Register and procedures being adopted by Council and noting with a newly elected Council being elected in October, that it recommends through Council to the newly elected Council to adopt of a Conflicts of Interest Policy and Register and requests staff to present this to the newly elected Council for consideration;
(d) **Notes** the other recommendations identified in the report will be incorporated into Council policies and procedures.

CARRIED

Councillor Gerard believes this is a responsible recommendation, especially if it is expected that staff declare conflicts of interest and it is of benefit that elected members interests are also noted. Deputy Mayor Felstead supports the introduction of a Register of Interests, noting his own business as a Resource Planner.

7. **PORTFOLIO UPDATES**

7.1 **Audit, Finance, Long Term Plan and Annual Plan** – Councillor Jim Gerard

No further update.

7.2 **Economic Development** – Councillor Neville Atkinson

No further update.

8. **QUESTIONS**

There were no questions.

9. **URGENT GENERAL BUSINESS**

There was no urgent general business.

10. **MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED**

*Section 48, Local Government Official Information and Meetings Act 1987*

Moved Councillor Farrant seconded Councillor Gerard

**THAT** the public be excluded from the following parts of the proceedings of this meeting.

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:
<table>
<thead>
<tr>
<th>Item No</th>
<th>Minutes/Report of:</th>
<th>General subject of each matter to be considered</th>
<th>Reason for passing this resolution in relation to each matter</th>
<th>Ground(s) under section 48(1) for the passing of this resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>Minutes of the public excluded portion of a meeting of the Audit Committee of 17 May 2016</td>
<td>Confirmation of minutes</td>
<td>Good reason to withhold exists under Section 7</td>
<td>Section 48(1)(a)</td>
</tr>
<tr>
<td>10.2</td>
<td>Report of Sarah Nichols (Governance Manager)</td>
<td>Insurance Renewal Update for 2016/17</td>
<td>Good reason to withhold exists under Section 7</td>
<td>Section 48(1)(a)</td>
</tr>
<tr>
<td>10.3</td>
<td>Public Excluded Complete Attachment (i) to report in Public Agenda Item 6.4</td>
<td>Shared Service Business Process Review from Deloittes, June 2016</td>
<td>Good reason to withhold exists under Section 7</td>
<td>Section 48(1)(a)</td>
</tr>
</tbody>
</table>

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987, and the particular interest or interests protected by section 6 or section 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:

<table>
<thead>
<tr>
<th>Item No</th>
<th>Reason for protection of interests</th>
<th>Ref NZS 9202:2003 Appendix A</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1, 10.2 and 10.3</td>
<td>Protection of privacy of natural persons To carry out commercial activities without prejudice</td>
<td>A2(a) A2(b)ii</td>
</tr>
</tbody>
</table>

CARRIED

CLOSED MEETING

Resolution to resume in Open Meeting

Moved Councillor Gerard seconded Deputy Mayor Felstead

THAT open meeting resumes and the business discussed with the [public excluded remains public excluded, noting recommendation (f) of Item 10.2.

CARRIED

OPEN MEETING

There being no further business, the meeting closed at 5.06pm.

CONFIRMED

_____________________

Chairperson

_____________________

Date