WAIMAKARIRI DISTRICT COUNCIL

MINUTES FOR THE MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE WAIMAKARIRI DISTRICT COUNCIL CHAMBERS, 215 HIGH STREET, RANGIORA ON TUESDAY 28 NOVEMBER 2017 COMMENCING AT 4PM.

PRESENT

Deputy Mayor K Felstead (Chairperson), Mayor D Ayers, Councillors N Atkinson, A Blackie, S Stewart and P Williams

IN ATTENDANCE

Councillors D Gordon (until 6.04pm) and W Doody
Messrs J Palmer (Chief Executive), J Millward (Manager Finance and Business Support), S Markham (Manager Strategy and Engagement), Ms J Simon (Information and Technology Services Manager), Ms M Harris (Customer Services Manager), Ms M Edgar (Corporate Planner), Mr S Hart (Business and Centres Manager), and Mrs A Smith (Committee Advisor)

1  APOLOGIES

There were no apologies.

2  CONFLICTS OF INTEREST

There were no conflicts of interested.

3  CONFIRMATION OF MINUTES

3.1 Minutes of a meeting of the Audit and Risk Committee held on Tuesday 19 September 2017

Moved Councillor Atkinson seconded Councillor Blackie

THAT the Audit Committee

(a) Confirms the circulated minutes of a meeting of the Audit and Risk Committee, held on the 19 September 2017, as a true and accurate record.

CARRIED

4  MATTERS ARISING

There were no matters arising.

5  PRESENTATION/DEPUTATION

There were no presentations/deputations.
6  REPORTS

Items 6.2 to 6.11 were considered at this time. Note that the minutes have been recorded in accordance with the order of the Agenda as circulated.

6.1 Annual Report for Te Kohaka o Tuhaitara Trust for the year ended 3 June 2017 – Jeff Millward (Manager Finance and Business Support)

J Millward spoke to this report presenting the Annual Report for the year ended 30 June for Te Kohaka o Tuhaitara Trust. The Statement of Intent has been addressed and the General Manager will address this at the six monthly update. It was noted there are a number of financial matters that will need to be considered by the Council during the Long Term Plan process.

Moved Deputy Mayor Felstead seconded Mayor Ayers

(a) Receives report No 171103119209
(b) Receives the Annual Report for Te Kōhaka o Tūhaitara Trust for the year ended 30 June 2017;
(c) Acknowledges the work carried out by the Trust and thanks the Trustee’s and General Manager for their efforts;
(d) Circulates the report to the Boards.

CARRIED

Mayor Ayers thanked the Trustees for their work and the staff and volunteers for helping to make the reserve what it is and it is exciting to see it progressing.

6.2 Results of Health and Safety Section of Climate Survey and Results of Wellbeing Survey – Liz Ashton (Manager Organisational Development and HR)

Charlotte Brown spoke to this report, to present the results of the health and safety section of the Climate Survey and results of the wellbeing survey. It is pleasing to note that the results show that in all of these areas, over 90% agree with the comments in the survey. It has identified there is a small weakness in the wellbeing area and also noted that wellbeing had previously been identified as one of the projects that will be worked on this year. The subsequent Wellbeing survey has provided some guidance for creating a Wellbeing Strategy.

Moved Mayor Ayers seconded Deputy Mayor Felstead

THAT the Audit and Risk Committee

(a) Receives report No. 171115124522.
(b) Notes the positive result for Health and Safety as a function within the Council, and that the one area for further work is Workplace Wellbeing:
(c) Notes that the creation of a wellbeing strategy that aligns with the survey results and with the Mental Health Foundation’s Five Ways to Wellbeing has been approved;
Notes that an investigation into the top two ideas from each of the current, proposed and suggested activities under each of the Five Ways to Wellbeing sections has been approved.

CARRIED

Mayor Ayers offered congratulations on the results from the survey relating to wellbeing and to the Managers for creating the environment that people enjoy working in.

Deputy Mayor Felstead noted that it is good to know that the organisation is working so well.

6.3 Benefits Realisation Phase 2 Mobility Strategy – Jolanda Simon (Information and Technology Services Manager)

J Simon presented this report to keep the Council informed of the mobility strategy programme. Phase two of the Mobility Programme ran from 1 January to 30 June 2017 delivering a range of forms to Health and Safety, Environmental Services, Green Space and the Airport. This is the second stage of a five stage process. It has identified that there are 60 members of staff who are highly mobile who would benefit from having digital support. Other benefits have showed improvements in the information being provided back to customers, particularly in the health licencing area. J Millward added there are many advantages, including saving both time and money to various departments.

Moved Councillor Blackie seconded Councillor Atkinson

THAT the Audit and Risk Committee

(a) Receives report No. 170718074315.
(b) Notes the progress of the mobility project and that the project is on target and being delivered on time.
(c) Notes the tangible and intangible benefits realised to date.
(d) Notes that overall the mobility strategy has run within budget.

CARRIED


Mr Markham presented this report, explaining the process that has been undertaken to date by staff. The report included an updated list of completed Section 17A Reviews, which have been undertaken over the last two years between June 2015 and August 2017. It was noted that these reviews have been undertaken fairly thoroughly here at this Council.

Referring to the proposed review schedule for 2018, Councillor Doody questioned the community housing and housing for the elderly review. Ms Spittal advised that staff are currently putting together an Asset Management Plan for Property, which will include community housing and housing for the elderly and it is proposed to have a number of briefings to Council.

Following some comments by committee members on whether the Council should be in the business of providing community housing, Councillor Atkinson noted that the Section 17A Reviews are undertaken on businesses
that the Council currently delivers and did not believe this is the time to question if the Council should continue to be providing these services.

Moved Councillor Atkinson seconded Councillor Blackie

**THAT** the Audit and Risk Committee

(a) **Receives** Report (TRIM No:170828092977).

(b) **Receives** the updated list of completed Section 17A Reviews (TRIM No:160708065700).

(c) **Approves** the proposed review schedule for 2018 to 2020.

**CARRIED**

Councillor Atkinson welcomes these reviews and is comfortable that they are undertaken. These review are a useful tool for Councillors and fundamental to the operations that the Council runs.

6.5 **Local Government Act 2002: Schedule 10 Long Term Plan Contents – Maria Edgar (Corporate Planner)**

Maria Edgar and Mr Simon Markham presented this report, which presented four items of the required LG Act 2002 Schedule 10 contents for adoption and to be incorporated into the draft Long Term Plan 2018-2028. There are 18 specific items that are required to be adopted by the Council prior to Long Term Plan public consultation.

Mr Palmer spoke on the Significant Forecasting Assumptions and Risks and the risks that this Council faces.

Moved Councillor Atkinson seconded Councillor Williams

**THAT** the Audit & Risk Committee:

(a) **Receives** the report *Local Government Act 2002: Long Term Plan Contents Required by Schedule 10*, TRIM No. 171018112932; and recommends that the Council

(b) **Adopts** the items listed below for incorporation into the draft LTP, subject to any minor changes:

- Council Controlled Organisations
- Māori Capacity to Contribute to Decision-Making Processes
- Significant Forecasting Assumptions and Risks
- Statement of Service Provision

(c) **Authorises** the Chief Executive and Mayor to make any minor changes to the documents as requested by Council.

**CARRIED**
6.6 **Non-Financial Performance Measures 1st Quarter Results as at 30 September 2017 – Maria Edgar (Corporate Planner)**

Maria Edgar presented this report to update the committee on progress of the non-financial performance measures for the 1st quarter of the 2017/18 financial year. The report was taken as read.

Moved Councillor Blackie seconded Deputy Mayor Felstead

**THAT** the Audit and Risk Committee

(a) **Receives** report No. 171109121825 - *Non-Financial Performance Measures 1st Quarter Results as at 30 September 2017*.

CARRIED

6.7 **Capital Projects Report for the period ended 30 September 2017 – Paul Christensen (Finance Manager)**

Mr Jeff Millward presented this report advising on progress of the capital programme for the period ended 30 September 2017. Currently there has been 33.9% of the capital budget spent, which includes carry overs. It is predicted that there will be 82% of projects either completed or on time (for multi-year completion projects) by the end of June 2018.

There was an update on the current state of earthquake recovery projects. There are two major infrastructure projects still to be undertaken, roadways in Courtney Drive and the storm water ponds. There is also road deconstruction to be carried out. A further report will be presented to the next Council meeting on 5 December 2017.

Moved Councillor Atkinson seconded Deputy Mayor Felstead

**THAT** the Audit and Risk Committee

(a) **Receives** report N° 171107120949;

(b) **Circulates** report to the Boards

(c) **Notes** the progress of the capital projects with 82% of the 238 projects on time or completed.

CARRIED

6.8 **Financial Report for the period ended 30 September 2017 – Paul Christensen (Finance Manager)**

Jeff Millward presented this report, with the financial result for the quarter ended 30 September 2017. The Council’s financial position remains sound and is within all Policy limits.

Moved Mayor Ayers seconded Councillor Atkinson

**THAT** the Audit and Risk Committee

(a) **Receives** report no. 171107120821

(b) **Notes** that progress is tracking favourably in comparison to budget.

CARRIED
6.9 **Local Government Excellence Programme – Waimakariri Independent Assessment Report – Simon Markham (Manager Strategy and Engagement)**

S Markham spoke to this report asked for the committee to formally receive the “Local Government Excellence Programme (LGEP) – Waimakariri Assessment Report” on behalf of the Council. The This was prepared by an independent assessment panel in October 2017. It was noted that there were some recommended areas for improvement and the report includes management comment on these. Feedback on the Assessment Report was sought from the Committee.

Mr Markham explained the process that was undertaken during the scrutineering of the Councils performance in four key areas of activity. The assessment was conducted in March 2017. This included speaking to outside agencies that the Council deals with. The Council has received useful ideas for improvement from this process.

Councillor Williams – asked what benefit does the ratepayer get from this exercise? Mr Markham said firstly there are opportunities for improvement with having independent people scrutinising the work of the Council. Secondly there is an element of insurance that this Council is operating well in comparison with other Councils.

Moved Councillor Atkinson seconded Mayor Ayers

**THAT** the Audit and Risk Committee

(a) **Receives** report No. 171122126753.

(b) **Notes** the findings of the Independent Assessment Panel's Report and the Management Team's comments on them.

(c) **Provides** any further feedback on the Panel's report and areas for improvement.

(d) **Circulates** this report to the Community Boards.

**CARRIED**

Councillor Atkinson noted that he had received favourable feedback from members of the public after the results of this programme were announced. Suggested that this programme is a good process and the Council should be proud and "singing its praises”. Councillor Atkinson commented that the information that is provided to the Council from staff is of a very high quality.

Mayor Ayers noted that Local Government as a whole suffers from reputational issues. The Excellence Programme assessors are established independently. The benefit to ratepayers from being part of this Excellence Programme is obvious across New Zealand, it is about having better performing Councils and getting better value for money. Mayor Ayer supports this programme, noting that Waimakariri was the only Council in Canterbury to take part, and one of only three Councils in the South Island.

Deputy Mayor Felstead also supports this Programme, and supports the recommendation that the Council would benefit from additional structure provided for councillors’ professional development.
6.10 **Review of Rating Policies (other than the Revenue and Financing Policy)**  
- Maree Harris (Customer Service Manager)

Maree Harris presented this report, and presented the Rating policies which are required to be reviewed every six years. This includes review of the existing rates remission and postponement policies, and request the Committee approve new policies to go to Council for adoption - Discount for the Early Payment of Rates and Remission of Rates in Miscellaneous Circumstances. Ms Harris provided information on anomalies with rating that will be covered by these recommended Policies.

Councillor Doody sought explanation of Remission on unclaimed or abandoned land parcels – it was noted that these are usually either small or unusual shaped parcels of land. Following discussion on these areas of land in the district, it was agreed that a list would be provided to Committee members.

If recommendation (h) is agreed to, currently there is just two properties this affects, adjourning the business zone areas.

Moved Deputy Mayor Felstead seconded Councillor Blackie

(a) **Receives** report No.170908097382

and recommends that the Council:

(b) **Approves** the adoption of a policy for the early payment of rates in the current financial year (Trim 171121126330) for consultation in the 2018/28 Draft Long Term Plan to take effect from 1 July 2018.

(c) **Approves** the adoption of a policy for Remission of Rates in Miscellaneous Circumstances (Trim 171121126338) for consultation in the 2018/28 Draft Long Term Plan to take effect from 1 July 2018.

(d) **Resolves** to revoke the “Remission of Community Services Charge and Canterbury Museum Levies” policy from 1 July 2018.

(e) **Approves** the continuation of the current Rates Remission and Rates Postponement policies as outlined in this report, with the minor edits noted, for consultation in the 2018/28 Draft Long Term Plan. (Trim 171121126331 Rates Remissions; 171121126333 Rates Postponements).

(f) **Agrees** that the Policy for Remission of Rates on Maori Freehold Land is amended to include remission for conservation purposes.

(g) **Agrees** that the Policy for Remission of Rates on Properties Damaged by the 2010/11 Earthquakes be extended to cover all natural disaster events that renders the property uninhabitable.

(h) **Agrees** that the Policy for Rates Postponement on land used for Primary Production In Residential and Business Zones be extended to include non-farmland moving from the rural zone to a residential or business zone.

(i) **Agrees** that a new rates remission policy be introduced for land that meets paragraph (b) of Section 20 of the Local Government Rating Act, and either paragraph (a) or (c).

**CARRIED**

Deputy Mayor Felstead suggested this is a fair and reasonable way for rating in the recommendations (h) and (i).
6.11 **Annual Report for Enterprise North Canterbury for the year ended 30 June 2017 – Jeff Millward (Manager Finance and Business Support)**

Nick Harris (Board Chairman) and Ms Heather Warwick (Chief Executive) attended to speak to the Annual Report for Enterprise North Canterbury. Ms Warwick presented a PowerPoint presentation showing the work of ENC and the projects they have undertaken over the past year.

Ms Warwick introduced Nick Deane, a trained veterinarian who established PAWS Pegasus and Woodend Veterinary Services in 2016. Mr Deane spoke to the committee on the assistance that he had from Enterprise North Canterbury, when setting up his new veterinary practice. He has received a lot of advice from ENC staff when setting up his business, been put in touch with local contacts for advertising, and directed to the appropriate contacts in the Council, when this has been required. His business now employs four local people, who are now not commuting into Christchurch and working in the local area. These staff interact with the local retailers and interact with the Woodend community. He believes that his interaction with Enterprise North Canterbury has been a very positive experience for getting advice and information in setting up his business. Mr Deane advised he would be taking advantage of the training and development opportunities available through ENC in the future, when time allowed him to.

Councillor Stewart suggested there could be information available to Council staff on new businesses establishing in the district that could be provided to the ENC staff member. It was noted that most new businesses would be tenants and this information is not always known. Businesses that require licences (food and refreshment premises) would be known to the Council, but other businesses who set up in the district would not all be known to the Council staff. Council does not have 100% database of all businesses in the district. Ms Warwick said ENC staff would be grateful for any information on new businesses setting up in the district.

Moved Councillor Atkinson seconded Councillor Blackie

**THAT** the Audit and Risk Committee

(a) **Receives** report No 171103119284

(b) **Receives** the Annual Report of Enterprise North Canterbury for the year ended 30 June 2017;

(c) **Acknowledges** the work carried out by Enterprise North Canterbury over the year and thanks the Trustees and staff for their efforts;

(d) **Circulates** the report to the Boards.

**CARRIED**

Councillor Stewart against

Councillor Atkinson commended the report and is pleased to see the good publicity for Enterprise North Canterbury (reference to Mr Nick Deane speaking to the committee). This is a success and this is how promotion works. The positive word of mouth cannot be quantified by numbers in the field of promotion.

Councillors Blackie, Doody and Gordon added their support to the work of Enterprise North Canterbury and the positive comments that have been made by fellow members.
Mayor Ayers acknowledged Mr Deane speaking to the committee, and his successful business establishing in Woodend. Mayor Ayers also thanked ENC for producing the Events Calendar which he uses regularly.

Councillor Williams noted his appreciation for Mr Deane coming to speak to the committee regarding his experience with Enterprise North Canterbury.

7 PORTFOLIO UPDATES

7.1 Audit, Risk, Long Term Plan and Excellence Programme – Deputy Mayor Kevin Felstead

Deputy Mayor Felstead had nothing further to add.

7.2 Communications – Councillor Neville Atkinson

Councillor Atkinson had nothing further to add.

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 Atkinson seconded Councillor Blackie

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 the Audit and Risk Committee meeting of 19 September 2017</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 Maree Harris (Customer Service Manager)</td>
<td>Application for Rating Sale under Section of the Local Government (Rating) Act 2002</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 to 10.2</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>

**CLOSED MEETING**

*Resolution to resume in Open Meeting*

Moved Mayor Ayers seconded Councillor Williams

**THAT** open meeting resumes and the business discussed with the public excluded remains public excluded.

**CARRIED**

**OPEN MEETING**

There being no further business, the meeting closed at 6.30pm.

**CONFIRMED**

___________________
Chairperson

___________________
Date

**WORKSHOP**

*At the conclusion of the meeting a workshop was held to discuss the District Promotions Contract*