

WAIMAKARIRI DISTRICT COUNCIL

MINUTES OF A MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE COUNCIL CHAMBER, RANGIORA SERVICE CENTRE, 215 HIGH STREET, RANGIORA, ON TUESDAY, 11 MARCH 2025, AT 9AM.

PRESENT

Councillors J Goldsworthy (Chairperson), T Fulton, J Ward, P Williams, Deputy Mayor N Atkinson and Mayor D Gordon.

IN ATTENDANCE

Councillors R Brine, B Cairns and P Redmond.

J Millward (Chief Executive), G Bell (Acting General Manager Finance and Business Support), S Hart (General Manager Strategy, Engagement and Economic Development), C Brown (General Manager Community and Recreation), G Cleary (General Manager Utilities and Roding), P Christensen (Finance Manager), S Nichols (Governance Manager), M Maxwell (Strategy and Business Manager), K Simpson (3 Waters Manager), T Kunkel (Governance Team Leader) and C Fowler-Jenkins (Governance Support Officer).

1 APOLOGIES

There were no apologies.

2 CONFLICTS OF INTEREST

There were no conflicts declared.

3 CONFIRMATION OF MINUTES

3.1 Minutes of a meeting of the Audit and Risk Committee held on Tuesday, 10 December 2024

Moved: Councillor Williams

Seconded: Councillor Ward

THAT the Audit and Risk Committee:

- (a) **Confirms**, as a true and accurate record, the circulated Minutes of a meeting of the Audit and Risk Committee held on 10 December 2024.

CARRIED

3.2 Matters Arising

Councillor Redmond noted in the Minutes that a workshop would be held in February 2025 to discuss the possible charging for LGOIMA requests as per the Council's approved Fees and Charges, which had not happened. S Hart noted that the Council would be updated in March 2025

4 PRESENTATION/DEPUTATION

4.1 Bancorp Treasury Services – Miles O'Connor

Due to technical difficulties, M O'Connor could not be in attendance to update the Committee.

5 REPORTS

5.1 Six Month Financial Statements for the Period Ended 31 December 2024 - Te Kōhaka o Tūhaitara Trust – N Robinson (General Manager Finance and Business Support)

Councillor Blackie presented this report and provided an overview of the Te Kōhaka o Tūhaitara Trust's (the Trust) six-month financial statements.

Councillor Redmond noted that the Trust was upgrading their trustee structure in a bid to become more professional. He asked who managed staff recruitment and human resources for the Trust. Councillor Blackie confirmed that the Council assisted the Trust with human resources.

Councillor Redmond questioned what external grants the Trust had received. Councillor Blackie noted that the Trust received grants from the University of Canterbury, the Rātā Foundation, the Department of Conservation, Environment Canterbury, and Trees That Count. Some organisations provided funding, and others gifted free trees.

Councillor Fulton noticed in the Trust's Profit and Loss Operating Expenditures that there seemed to be many instances where budget allocations were made from different cost centres. Councillor Blackie acknowledged it was disorganised, and the Trust was unaware of how much until the two new Senior Managers did an extensive investigation. Hence, the Trust was rebuilding the whole policy structure.

Councillor Ward enquired whether the two new Senior Managers would be able to cope with the extensive workload. Councillor Blackie noted that the two newly promoted Senior Rangers were doing an excellent job, and the Trust was operating better than it had in a long time. The Trust would survive with the periodic detention crews who came two to three times a week and did free labour.

Councillor Fulton asked if the Trust had relationships with institutions to access qualified arborists or interns. Councillor Blackie reported that a Ranger from the Nelson Ranger School worked for the Trust over the summer.

Moved: Councillor Ward

Seconded: Deputy Mayor Atkinson

THAT the Audit and Risk Committee:

- (a) **Receives** report No. 250304035335.
- (b) **Receives** the Six Month Report for the Te Kōhaka o Tūhaitara Trust for the period ended 31 December 2024.
- (c) **Notes** that the operations for the six months to 31 December 2024 are progressing as planned, as presented in the Statement of Intent.

CARRIED

Councillor Ward thanked Councillor Blackie for the work he has been doing because, without his leadership and commitment, the Trust would be worst off. She would like to hear more about the Iwi's involvement and support in the future.

Deputy Mayor Atkinson also thanked Councillor Blackie for working with Joesph Hullen to keep the Trust operational during tight times. He acknowledged that the Trust had experienced some challenges; however, he believed the Council needed to place its faith in the trustees to deal with the difficulties.

Councillor Fulton supported the motion and concurred with the comments made by the previous speakers.

Councillor Redmond was pleased that the trustees were reviewing the organisation and, hopefully, making it more professional. He became concerned when a former Waikuku Beach Holiday Camp staff member mentioned some challenges working with the Trust and was pleased that the matters would be addressed.

Councillor Goldsworthy appreciated the candour with which Councillor Blackie had reported to the Committee.

5.2 **Te Kōhaka o Tūhaitara Trust – Statement of Intent for the year ending 30 June 2026**
– C Brown (General Manager Community and Recreation)

Councillor Blackie provided a brief overview of the Statement of Intent.

Responding to a question from Councillor Fulton, J Millward advised that Ngai Tahu nominated three members to serve on the Trust. The challenge was the ongoing operational funding for the Trust. In the early days, the Iwi contributed around \$250,000 to establish the Trust. However, their contribution had previously only been \$50,000 per annum, which had now ceased, and the Council needed to be advised why it was not being provided.

Councillor Ward asked if the Tuahiwi School visited the Trust area to learn about the local history. Councillor Blackie explained that Tuahiwi School was one of the approximately 20 schools which the Trust interacted with regularly. However, the Trust lost its Education Ranger in 2024.

Moved: Councillor Fulton

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** report No. 250228033146.
- (b) **Receives** the Statement of Intent for Te Kōhaka o Tūhaitara Trust for the year ending 30 June 2026 (Trim 250224029938).
- (c) **Notes** that under the Local Government Act 2002, the Audit and Risk Committee may request Te Kōhaka o Tūhaitara Trust to make changes to the Statement of Intent. Te Kōhaka o Tūhaitara Trust would consider these changes requested and re-present the Statement of Intent prior to 30 June.
- (d) **Notes** that the financial forecast for the years 2025/26 through 2027/28 presents a net loss each year. Te Kōhaka o Tūhaitara Trust acknowledges that they will need to find further funding sources or make cost savings to balance the budget.
- (e) **Requests** that Te Kōhaka o Tūhaitara Trust report back to the Audit and Risk Committee before 30 June 2025 outlining where the additional funding or cost savings to balance the budget will come from.
- (f) **Recommends** eleven proposed changes to the draft Statement of Intent from the 2023/24 Statement of Intent for Te Kōhaka o Tūhaitara Trust as outlined in section 4.3 below.

CARRIED

Councillor Fulton supported the motion and was satisfied that enquiries would be made about the state of the co-governance.

Councillor Goldsworthy also supported the motion and commended the team for their continued work.

Deputy Mayor Atkinson noted that the Tūhaitara Coastal Park was given to Ngai Tahu. Ngai Tahu wanted to return it to the people by forming a Council-controlled Organisation (CCO), a 50/50 partnership between the Council and Ngai Tahu. Ngai Tahu made no monetary promises, and the agreement did not entail a 50/50 partnership in funding.

5.3 **Enterprise North Canterbury's Draft Statement of Intent for the Financial Year beginning 1 July 2025 and Approved Six Month Report to Council 31 December 2024**
– S Hart (General Manager Strategy, Engagement and Economic Development) and N Robinson (General Manager Finance and Business Support)

H Warwick provided a brief overview of Enterprise North Canterbury's (ENC) six-month report. She highlighted its three themes: Develop and Maintain a Strong Regional Brand Identity, Support Existing Businesses to Grow and Prosper and Grow Visitor Numbers and Value to North Canterbury. S Hart briefly summarised the ENC's draft Statement of Intent.

Councillor Williams noted that there were many small pie makers in the Waimakariri District. He enquired how ENC would ensure that they all knew about 'Pie July' so that they could participate. H Warwick did not believe the smaller businesses would miss out. The ENC would promote 'Pie July' extensively and would also use the Council's resources to promote the event.

Councillor Williams questioned how the ENC provided support to struggling businesses. H Warwick noted that business support information was published on the ENC website, and they also used the various promotions associations to promote their services. Word of mouth in a small district such as the Waimakariri was also very beneficial.

Councillor Redmond enquired whether Kaiapoi isite Visitor Information Centre focused on promoting local businesses or more regional promotion. H Warwick explained that people generally wanted local information. However, many residents wanted regional travel information, such as train trips. They also had many international tourists coming from the south heading to Kaikoura.

Councillor Redmond noted that ENC's brand was Waimakariri North Canterbury. H Warwick explained that ENC had a contract with the Waimakariri District Council, which did not include promoting the Hurunui District, which had its own tourism organisation.

Councillor Cairns asked if, based on the success of the North Course, ENC was measuring the repeat business derived from the connections they had struck up between the suppliers and retailers. H Warwick confirmed that they did and noted that 21 businesses were involved last year. Although some pulled out, 12 new businesses would join the North Course. C Giffard pointed out that it was not ENC or the Council's responsibility to check that everyone was using those products. Many businesses used them for six weeks and then returned to their previous practices.

Councillor Cairns asked about the amount of foot traffic at the Kaiapoi isite Visitor Information Centre. H Warwick stated that much of the foot traffic was seasonal, so it was currently very heavy, particularly from the local caravan population.

Councillor Fulton asked whether local promotion groups were key partners of ENC. H Warwick noted that they had been and would continue to be.

Moved: Councillor Ward

Seconded: Councillor Fulton

THAT the Audit and Risk Committee:

- (a) **Receives** report No 250226031595.

- (b) **Receives** the following reports for Enterprise North Canterbury (ENC):
 - i. Enterprise North Canterbury's Draft Statement of Intent for the Financial year beginning 1 July 2025 (Trim 250226031600).
 - ii. Enterprise North Canterbury Six Month Report to 31 December 2024 (Trim 250226031597).
 - iii. Appendix One to ENC Six Month Report (ENC Accounts) to 31 December 2024 (Trim 250226031605).
- (c) **Notes** that under the Local Government Act 2002, the Audit and Risk Committee may request Enterprise North Canterbury to make changes to the Statement of Intent (SOI). If this were to be the case, Enterprise North Canterbury would consider the requested changes and re-present the Statement of Intent prior to 30 June 2025.
- (d) **Acknowledges** the work carried out by Enterprise North Canterbury and thanks the Trustees and staff for their efforts.
- (e) **Circulates** the report to the Community Boards for information.

CARRIED

Councillor Ward observed how ENC had grown over the last few years and how they had grown the profile of the Waimakariri District. She commented that ENC was a small team that did incredible work. She looked forward to the North Canterbury Business Awards and hearing about the growth being experienced in the Waimakariri District. Councillor Ward noted that ENC was on track with its Statement of Intent. There had been some difficult times keeping tight constraints on its budget; however, they were performing very well.

Councillor Fulton supported the motion and appreciated seeing the district-wide picture and the opportunities that existed with cycleways, walkways, and recreation.

Deputy Mayor Atkinson commented that the figures showed that ENC was heading in the right direction after some tough years. Tourism in the country seemed to have returned to its pre-COVID level. The isite facility would always be controversial, as people would come to source local information. Still, they also wanted information about the rest of their journey if they were not coming to Kaiapoi to stay.

Mayor Gordon supported the Statement of Intent. Through the Portfolio Holder, the Council had been looking at the possible reviewing events funding. He appreciated the professional service that ENC provided. The Council decided to retain the isite facility in Kaiapoi and appreciated that ENC abided by its preference. He thanked H Warwick and the team for the work they have been doing. Mayor Gordon and J Millward represented the Council on ENC's Board. The Board was voluntary; they all did it because they were passionate about the area.

Councillor Redmond thanked H Warwick for her presentation. He noted the more significant operating surplus, \$47,000, better than the budget result. He believed that ENC did an excellent job.

5.4 **Amendment to Treasury Policy – G Bell (Acting General Manager Finance and Business Support)**

G Bell noted that the Treasury Management Policy established the Council's approach to managing its borrowing and investments. The Council's Independent Treasury Advisor, Bancorp, recommended changing the interest rate management section of this policy, which would make the policy more flexible by allowing a lower level of interest rate hedging.

Councillor Fulton questioned how this corresponded with having more flexibility in fixed rates. G Bell noted that debt in the Council's Long-Term Plan would increase over the next few years; however, further out, it would fall away again.

Councillor Redmond sought an explanation of the Council's strategy for debt repayment. G Bell stressed that the Council's debt was not out of control. There were two elements to Council debt - the physical borrowing from the Local Government Funding Agency (LGFA). The Council borrows funds over two, three, and four years, which need to be repaid. The Council would often repay these short-term loans and then reborrow. Regarding funding Council expenditure, it took out loans and manages them internally relating to major projects or activities. As part of the Council funding process, it made internal loan payments, which were built into its funding requirements, such as debt repayment.

Councillor Goldsworthy noted a decrease in the minimum amount of lending. He asked about the potential risk when the interest rates were quite good and the Council had an extensive capital infrastructure. G Bell noted that there was the risk of decreasing the minimums. He was not suggesting that the change in the policy necessarily reduced the amount of fixing, but in terms of management and advice from Bancorp, it allowed more flexibility.

Councillor Goldsworthy also enquired about what point the Council would consider hedging 60% or 70% of the short-term debt. J Millward noted it was a moving target; however, the Council always stayed within the policy. The discussion came around what the Council thought the interest rate would be in the future; it used that for the minimum requirement of the policy, where it started building up to the maximum. Currently, the Council's average cost of funds is around 4.1%, in the lower region of most Councils across New Zealand.

Moved: Deputy Mayor Atkinson Seconded: Councillor Ward

THAT the Audit and Risk Committee:

- (a) **Receives** report No. 250212022685.
- (b) **Recommends** to the Council that it amends the interest rate risk management section (section 3.5) of the Treasury Policy, effective from 1 April 2025 to the following limits:

<u>Current limits for proportion of interest rates fixed</u>	<u>Proposed limits for proportion of interest rates fixed</u>
Minimum 50% to Maximum 100% for years 0 – up to 3 years	Minimum 40% to a Maximum 100% for years 0 – up to 2 years
Minimum 30% to a Maximum 80% for years 3 – up to 6 years	Minimum 25% to a Maximum 80% for years 2 – up to 4 years
Minimum 0% to a Maximum 50% for years 6 – up to 10 years.	Minimum 0% to a Maximum of 60% for years 4 – up to 10 years.

- (c) **Notes** that staff have held off putting in place interest rate hedging for year six of the policy (2030) to allow the Council to make a decision on the proposed policy change.
- (d) **Notes** that staff have pre-funded the required debt repayments for the 2025 calendar year to maintain the Council's strong liquidity position.

CARRIED

Deputy Mayor Atkinson commented that the Council should use the flexibility to maximise its financial position, and this would allow it to do so. He looked forward to the Council discussing the matter and hearing from Bancorp.

Councillor Ward congratulated the Finance Team for their expertise and support. She commented that Bancorp had always been proactive in looking after and guiding the Council and was very proud of its financial management.

Mayor Gordon supported the motion. He noted that it was a balanced approach and had always been reservedly based, which the Council had fully supported over the years. A lot of misinformation was being spread about the Council's debt position. The Council's approach was about investing in today and ensuring it was investing in the future. The Council was borrowing around 10% of its asset base, which he thought was prudent. With the earthquake recovery, there was no way the district could get to where it was now without the Council having taken on debt to ensure it did not have a considerable cost to its ratepayers. The Council took the view that it was sensible to build back better. The Waimakariri District Council was a twice AA-rated Council by the Local Government Excellence Programme and Standard and Poors.

Councillor Redmond looked forward to hearing from Bancorp to get their view on the economy and the Council's policies. He had no concerns regarding the Council's debt, as the Council was a leader in our financial management in the local sector.

5.5 **Six Month Financial Statements for the Period Ended 31 December 2024 - Waimakariri Public Arts Trust – P Christensen (Finance Manager) and M Garrod (Accountant)**

The Chairperson of the Waimakariri Public Arts Trust (the Trust), Wilson Henderson, advised that after experiencing some challenges, the Trust had a positive six months. He highlighted the following Trust projects:

- The Trust was in the process of securing a sculpture for installation at the MainPower Stadium.
- Windswept, a sculpture by Raymond Herber, had been installed on the ample green space on Ohoka Road near the Silverstream, Kaiapoi. The sculpture was well received by the public.
- The Trust would work closely with the Council on the proposed upgrade of the Kaiapoi Bridge. The artwork on the bridge was envisaged to include an architectural laser-cut stainless steel handrail and infill panels incorporating cut-out design motifs.
- The Trust was in the process of finalising its proposed Waimakariri Public Arts Trail.

W Henderson noted that some of the projects the Trust wished to undertake had to be postponed due to lack of funding. The Trust was investigating options for promoting the work it had been doing to increase its visibility in the community. It was hoped that higher visibility would assist the Trust in raising funding. The Trust appointed three new trustees in 2024, and a new Chairperson was also elected. It was currently reviewing its operating procedure to ascertain if there may be any knowledge gaps in areas such as finance, IT and Governance. W Henderson acknowledged the assistance provided by Councillor Blackie and the Council's Community Development Facilitator - Arts Strategy Implementation.

There were no questions for elected members.

Moved: Mayor Gordon

Seconded: Councillor Fulton

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 250220028222.

- (b) **Receives** the unaudited six-month report for the Waimakariri Public Arts Trust for the period ending 31 December 2024.

CARRIED

Mayor Gordon expressed his appreciation for the Trust's work and noted he was looking forward to working with them on the proposed upgrade of the Kaiapoi Bridge. It was an essential project for the Council, the people of Kaiapo and the Harper family. Communities valued public art as it enhanced aesthetics and revitalised areas; however, the Council recognised that the Trust was operating in financially challenging times. Mayor Gordon thanked Councillor Blackie for the work he did as the Council's representative of the Trust.

Councillor Fulton concurred with Mayor Gordon's comments. He noted that the new Loburn War Memorial could be considered public art and suggested that the Council work with the Trust to ensure that all structures erected by the Council strive to be public art.

5.6 **Six Month Financial Statements for the Period Ended 31 December 2024 – Waimakariri Art Collection Trust – P Christensen (Finance Manager) and M Garrod (Accountant)**

P Christensen took the report as read, and there were no questions for elected members.

Moved: Councillor Ward

Seconded: Councillor Williams

THAT the Audit and Risk Committee:

- (a) **Receives** Report No.240221029103.
- (b) **Receives** the unaudited six-month report for the Waimakariri Art Collection Trust for the period ending 31 December 2024.

CARRIED

Councillor Ward thanked staff for assisting the Waimakariri Art Collection Trust.

5.7 **Financial Report for the period ended 31 December 2024 – P Christensen (Finance Manager)**

P Christensen reported that the Council's operating surplus for the period ending 31 December 2024 was \$1.3 million against a budget of \$7.6 million. The reason for the surpluse was mitigated revenue rather than expenditure. The revenue received for the period was \$82.9 million compared to the budgeted \$88.6 million. The variances in the revenue were due mainly to - subsidies and grants being \$1.2 million lower than budgeted due to Waka Kotahi subsidies not being received and Development Contributions being \$6.6 million less as the major developments waited for the next stage of their development to commence. The Council's expenditure on capital projects was within budget for the period under review.

P Christensen noted that the Council's external debt as of 31 December 2024 was \$240 million. The Council had changed its process so that it now pre-funded debt due to be repaid in the next half year. The change was made to reduce liquidity risk and improve the Council's credit rating score calculation.

There were no questions for elected members.

Moved: Councillor Ward

Seconded: Deputy Mayor Atkinson

THAT the Audit and Risk Committee:

- (a) **Receives** Report No.250217025497.

- (b) **Notes** the surplus for the period ended 31 December 2024 is \$1.3 million. This is \$6.2 million under budget, mainly because of development contributions revenue being under budget. Development contributions are used to fund growth-related capital expenditure. Capital expenditure for growth is under budget by \$10.9 million.

CARRIED

Councillor Ward supported the motion, noting that the Council's good fiscal standing allowed it to incur debt to fund its extensive Capital Works Programme, which was required to maintain the district infrastructure.

Councillor Redmond noted that the Council's external debt was 8.3% of its total assets, which was well within its Liability Management Policy guidelines, which required debt as a percentage of total assets to be less than 15%. Interest costs were 5.8% of the Council's operating revenue, which was conservative. He, therefore, believed that the Council was in a good financial position.

5.8 **Corporate Risk Update – S Nation (Senior Quality and Risk Advisor)**

S Nicols took the report as read, and there were no questions for elected members.

Moved: Councillor Goldsworthy Seconded: Deputy Mayor Atkinson

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 241105192025.
- (b) **Notes** the current nine Corporate Risks rated 'Critical' and 'High' (Appendix 1).
- (c) **Notes** that the Health, Safety, and Wellbeing Risk Register is a separately reported document managed and overseen by the Health, Safety, and Wellbeing Manager.
- (d) **Notes** that a copy of this report is provided to the Council for information.

CARRIED

Councillor Goldsworthy commended staff for continuously updating the Council's Corporate Risk Register. He was pleased that Civil Defence risks had been included in the register.

5.9 **Non-Financial Performance Measures for the Quarter ended 31 December 2024 – H Street (Corporate Planner)**

M Maxwell took the report as read, and there were no questions for elected members.

Moved: Councillor Ward Seconded: Councillor Fulton

THAT the Audit and Risk Committee:

- (a) **Receives** report No. 250131015922.
- (b) **Notes** 73 (81%) of performance measures for the second quarter of the 2024/25 financial year were achieved, and 11 were not achieved.
- (c) **Notes** 11 (12%) of the measures did not meet the target, but seven were within 5% of being achieved.

- (d) **Notes** six (7%) of the measures will be reported later in the financial year.
- (e) **Notes** all measures have been reviewed for the 2024-2034 Long Term Plan and adopted for the 2024-2027 financial years.
- (f) **Notes** the year-end forecast is based on achieving all the measures not yet reported for the year.

CARRIED

Councillor Ward supported the motion, noting that the Council's performance had improved during the second quarter. However, she noted that the Council was only 33% compliant with the target set for Protozoal compliance. Still, she was not concerned as the proposed future Ultraviolet (UV) upgrades would ensure compliance.

5.10 2024/25 Capital Works December Quarterly Report – J Eggleton (Project Planning and Quality Team Leader), D Young (Senior Engineering Advisor), G Cleary (General Manager Utilities and Roading) and C Brown (General Manager Community and Recreation)

G Cleary noted that several significant projects had been delayed until the Council decided how to reallocate any local share or Better Off Funding because of the withdrawal of the Transport Choices Funding. He further noted that the expected late announcement of the funding allocated from the New Zealand Transport Agency (NZTA) might result in the subsequent reallocation of projects, resulting in a number of roading projects being less advanced than planned. G Cleary advised that the generator had to be replaced at a Waikuku Beach pump station at an unbudgeted cost of \$11,000.

Responding to Councillor Williams' questions, G Cleary advised that staff meet with developers and contractors of larger developments to discuss potential challenges, including the payment of Development Contributions. This allowed staff to understand the proposed development programme better and for the developers to understand the Council's requirements.

Councillor Fulton sought clarity on the reasons for the risk of delaying the Oxford Water Supply Projects. C Roxburgh explained that an exclusion zone was established around a water source; if the exclusion zone extended onto an adjoining property, the property owner became an interested party to the resource consent. Obtaining sign-off from all the interested parties may take some time and thus delay the finalisation of the resource consent. Staff were finalising resource consent for the Oxford Urban Upgrade; however, they were still negotiating with interested parties for the Oxford Rural No.1 Back-up Well resource consent.

Councillor Goldsworthy enquired if there was a national benchmark to measure councils' Capital Works Programme implementation. G Cleary confirmed that there was no national benchmark. He noted that it would be unattainable to implement 100% of the Capital Works Programme as there were always challenges outside the Council's control that impacted the programme. However, he believed that the Council was doing well as it ensured no negative impact on the Council's level of services if projects were delayed.

Moved: Councillor Ward

Seconded: Deputy Mayor Atkison

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 250228033323.
- (b) **Notes** the actual and predicted achievement across all tracked capital expenditure.
- (c) **Notes** that of the \$91.2 million total capital spend, \$31.47 million (35%) has been completed and \$71.55 million (78%) is predicted to be completed (subject to weather and other matters outside our control).

- (d) **Notes** that the previous September Quarterly Report predicted completion of 81%.
- (e) **Notes** that progress towards achieving the 2024/25 Capital Works Programme is well advanced across most areas. However, there are a number of projects either delayed or at risk, as reported elsewhere.

CARRIED

Councillor Ward commended the staff for managing the 432 projects in the 2024/25 Capital Works Programme without compromising the Council's level of service. She was confident that the Council would be able to complete 78% of the Capital Works Programme as predicted.

Mayor Gordon agreed with Councillor Ward's comments, noting that the Council was able to implement most of its Capital Works Programme as it was proactive when planning for growth and invested in infrastructure. Mayor Gordon advised that he and the Chief Executive met regularly with developers making significant investments in the Waimakariri District. He stressed the importance of boundaries between developers and elected members when dealing with resource consent matters. Crossing the boundaries opened the Council up for judicial review.

Deputy Atkinson noted that it was important that the Council learn from the experiences of other councils and implement best practices when managing its Capital Works Programme. However, it should guard against comparing itself with other councils, as the Waimakariri District's experience and challenges were unique to the district.

5.11 Updated Elected Member Pecuniary Interests Register – Sarah Nichols (Governance Manager)

M Maxwell took the report as read, and there were no questions for elected members.

Moved: Deputy Mayor Atkison

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 250114004052.
- (b) **Notes** members supplied information directly to the Governance Manager to enable Register compilation no later than 13 February 2025.
- (c) **Notes** that a copy of this report will be circulated to the Community Boards, who are also subject to the Register.
- (d) **Notes** that the updated Elected Members Pecuniary Interests Register will be uploaded to the Council website prior to 15 March 2025.

CARRIED

6 PORTFOLIO UPDATES

6.1 Audit, Risk, Annual / Long Term Plans – Councillor Joan Ward

- Audit 2024/25
 - Staff met with senior audit staff to discuss the audit for 2024/25. The plan was for an interim audit of the Council's systems in late April 2025 and the main final audit would commence in mid-August 2025.

- Audit New Zealand raised some areas where they believe the Council could bring forward or streamline its processes to avoid some of the delays in previous years. For example, they suggested looking at asset capitalisation, revaluation processes, and timetables, which staff would investigate.
- It was anticipated that the Council's 2024/25 Annual Report would be adopted after the elections, just before the deadline of 31 October 2025.
- Treasury Management
 - As mentioned at the last meeting, Standard and Poors had been reviewing their score for the institutional framework in which the Council operated – for the New Zealand Local Government Sector as a whole. This score affected the credit rating for all councils for which they issued a rating. They had recently reduced their score and were now considering the impact of the reduction on individual council's credit ratings. The Council should know more in the next few weeks; however, any change for the Council would relate to factors outside of its control and not the Council's actions.
- Annual Plan 2025/26
 - The draft 2025/26 Annual Plan was adopted last week and would be out for public consultation later this week. Although there were no major consultation topics for the Annual Plan itself, the consultation did include the Council's proposed approach to the delivery of water services, which was a matter of significant public interest. As usual, hearings and deliberations would take place in May 2025.

6.2 **Communications and Customer Services – Councillor Joan Ward**

- Communications
 - Local Water Done Well – The Council had been leading the communications for Local Water Done Well on behalf of the Waimakariri, Hurunui and Kaikoura District Councils. Recently, it announced the next steps in its partnership, which were to go in different directions on supplying 3 Waters Services. The media interest in this had been managed well, and there had been no conflict between the parties due to the comms being centrally managed.
 - Draft Annual Plan – Staff had been working on creating the Draft 2025/26 Annual Plan document content since earlier this year which was recently adopted. Staff was now working on the engagement pages and platforms ready for public consultation.
 - Rangiora Health Hub – Staff had been providing updates on the Council's potential involvement in the Health Facility in Rangiora. Given the high interest in this project, the Council had been careful to address any incorrect/false information circulating in the public while being clear on its position.
 - Civil Defence Awareness Campaign - Towards the end of last year, the Council undertook an e-newsletter and social media campaign to educate residents about the different roles within Emergency Management at the Council.
 - Parking Engagement—Staff had been looking at parking supply and ongoing provision in the coming years. There have been multiple engagement/consultation touchpoints with residents and business owners to date, and the Council was currently out for engagement on the proposed changes/treatments going forward before a final report would be submitted to the Council for adoption later in the year.

- Customer Services
 - The Council was recruiting for its Contact Team. Fortunately, there had been much interest, and staff was in finalising the process.
 - The third rate instalment was due at the end of February 2025, and collection was at a similar level to previous years and 1,906 letters were sent to ratepayers whose all or part of the third instalment remained unpaid.
 - LIM application levels remain high, with 355 applications received in January and February 2025 which was close to last year's figures
 - The Customer Services Team had been busy implementing the new Datascape System, and training on cash receipting, cemeteries, and kerbside bins occurred this week.

7 QUESTIONS

Nil

8 URGENT GENERAL BUSINESS

Nil

NEXT MEETING

The next meeting of the Audit and Risk Committee would be held on Tuesday, 13 May 2025, at 9am, in the Council Chambers, Rangiora Service Centre.

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THERE BEING NO FURTHER BUSINESS, THE MEETING CONCLUDED AT 11.35AM.

CONFIRMED



Chairperson
Councillor Goldsworthy

10 June 2025

Date