



MINUTES

Audit and Risk Committee Meeting

3 September 2024

**MINUTES OF WAIMATE DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE FUNCTION ROOM, WAIMATE EVENTS CENTRE, PAUL STREET, WAIMATE
ON TUESDAY 3 SEPTEMBER 2024, COMMENCING AT 9:30AM**

PRESENT: Chair Damian Hogue, Deputy Mayor Sharyn Cain, Mayor Craig Rowley, Cr Tom O'Connor, Cr Rick Stevens

APOLOGIES: Nil

IN ATTENDANCE: Cr John Begg, Cr Sandy McAlwee, Cr Lisa Small
Stuart Duncan (Chief Executive), Rachel Holley-Dellow (Human Resources Manager), Dan Mitchell (Asset Group Manager), Tina Stevenson (Corporate Services Group Manager)
Karalyn Reid (Committee Secretary)

OPENING

1 APOLOGIES

Nil

2 VISITORS

11:00am: Insurance renewal presentation - Marsh

11:30am: Insurance renewal presentation - Aon

3 CONFLICTS OF INTEREST

The Chair asked if there were any conflicts of interest. There were no conflicts of interest.

4 IDENTIFICATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE AGENDA

Nil

MINUTES

5 CONFIRMATION OF MINUTES

5.1 MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 11 JUNE 2024

COMMITTEE RESOLUTION 2024/10

Moved: Mayor Craig Rowley
Seconded: Cr Tom O'Connor

That the Minutes of the Audit and Risk Committee Meeting held on 11 June 2024 be adopted as a true and correct record.

CARRIED

REPORTS**6 GENERAL REPORTS****6.1 OFFICE OF THE AUDITOR GENERAL FORUM REPORT**

The Chair gave a verbal report on the July Auditor General Forum on Asset Management and Infrastructure for the information of the Audit and Risk Committee (the Committee).

The Committee commented on the nationwide issue of aging infrastructure, affordability of depreciation, and the importance of being publically open and transparent.

6.2 HUMAN RESOURCES REPORT**COMMITTEE RESOLUTION 2024/11**

Moved: Mayor Craig Rowley

Seconded: Cr Tom O'Connor

That the Human Resources Manager's report is accepted.

CARRIED**Note:**

The Committee noted the Chief Executive is preparing an in-depth report on staffing, which will be eventually suitable for public information. It would be helpful when advertising for vacancies to stipulate staff replacement positions to avoid public perception of increasing staff numbers.

6.3 HEALTH AND SAFETY REPORT**COMMITTEE RESOLUTION 2024/12**

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr Rick Stevens

That the Health and Safety Report is accepted.

CARRIED**6.4 COUNCIL'S POLICY STATUS****COMMITTEE RESOLUTION 2024/13**

Moved: Mayor Craig Rowley

Seconded: Cr Rick Stevens

That the Council's Policy Status report is accepted.

CARRIED

6.5 AUDIT NEW ZEALAND ENGAGEMENT - LIMITED ASSURANCE REPORT IN RESPECT OF WAIMATE DISTRICT COUNCIL'S DEBENTURE TRUST DEED

The Audit and Risk Committee noted the Confirmation of Engagement – Limited Assurance Report in respect of Waimate District Council's Debenture Trust Deed for 2024.

COMMITTEE RESOLUTION 2024/14

Moved: Deputy Mayor Sharyn Cain
Seconded: Cr Rick Stevens

That the Audit New Zealand Confirmation of Engagement – Limited Assurance Report in respect of Waimate District Council's Debenture Trust Deed, is received.

CARRIED**6.6 AUDIT NEW ZEALAND ADDITIONAL FEE RECOVERY DEFERRED 2024 LONG TERM PLAN****COMMITTEE RESOLUTION 2024/15**

Moved: Deputy Mayor Sharyn Cain
Seconded: Cr Rick Stevens

That the Audit New Zealand Additional Fee Recovery Deferred 2024 Long Term Plan Report is received.

CARRIED**Note:**

Mayor Rowley noted LGNZ are looking at audit processes for local government.

The Committee discussed the audit costs which have escalated over the past ten years, noting in particular increased detail and compliance and changes in international reporting standards.

The Committee commented that the audit ensures Council's processes and asset management plans are suitable and fit for purpose, and importance of transparency around the spending of public money.

6.7 EXTERNAL AUDIT RECOMMENDATIONS PROGRESS REPORT TO SEPTEMBER 2024**COMMITTEE RESOLUTION 2024/16**

Moved: Cr Rick Stevens
Seconded: Mayor Craig Rowley

That the External Audit Recommendations Progress Report to September 2024 report is accepted.

CARRIED**Note:**

The Committee discussed past issues with Timaru District Council (TDC) providing Downlands Water Scheme financial information and agreed it would be beneficial that the Audit Director is conducting Waimate and Timaru's audit.

Council's draft Annual Report will not include the Downlands Water Scheme supporting documentation until it has been finalised.

The Committee discussed the requirement for the one-up approval process for sensitive expenditure incurred by elected members. This allows the opportunity to question the reason or cost of expenditure.

The Committee noted the Climate Change Disclosures recommendation from the 2021-31 Long Term Plan (LTP) and commented the work on development of Council's Climate Change Strategy will enable achievable local practical measures, including learnings from the public forums to mitigate climate change, to be incorporated into the 2025-2034 LTP.

The meeting was adjourned for morning tea at 10.31am.
The meeting was reconvened at 10.42am.

6.8 RISK REGISTER

COMMITTEE RESOLUTION 2024/17

Moved: Mayor Craig Rowley
Seconded: Deputy Mayor Sharyn Cain
That the Risk Register Report is accepted.

CARRIED

Note:

The Committee noted Cyber Security had been upgraded from moderate to significant and asked for a workshop session in order to better understand risks and the recovery plan in the event of an attack.

The Audit and Risk Committee went into Public Excluded at 10.56am to take the two scheduled Microsoft teams presentations.

COMMITTEE RESOLUTION 2024/18

Moved: Deputy Mayor Sharyn Cain
Seconded: Mayor Craig Rowley

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

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Public Excluded Minutes of the Audit and Risk Committee Meeting held on 11 June 2024	s6(a) - the making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	s48(1)(a)(i) - 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 for withholding would exist under section 6 or section 7

<p>7.2 - Outstanding Audit and Risk Committee Actions Report - Public Excluded</p>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a)(i) - 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 for withholding would exist under section 6 or section 7</p>
<p>7.3 - Presentation: Insurance Renewals - Marsh 11:00am</p>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	<p>s48(1)(a)(i) - 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 for withholding would exist under section 6 or section 7</p>
<p>7.4 - Presentation: Insurance Renewals - Aon 11:30am</p>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	<p>s48(1)(a)(i) - 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 for withholding would exist under section 6 or section 7</p>
<p>7.5 - Supplier Investigation Report</p>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>s48(1)(a)(i) - 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 for withholding would exist under section 6 or section 7</p>

CARRIED

8 RE-ADMITTANCE OF THE PUBLIC REPORT**COMMITTEE RESOLUTION 2024/19**

Moved: Deputy Mayor Sharyn Cain

Seconded: Cr Rick Stevens

That Council moves out of Closed Council into Open Council.

CARRIED

6.9 MAJOR PROJECTS REPORT**COMMITTEE RESOLUTION 2024/20**

Moved: Mayor Craig Rowley

Seconded: Cr Tom O'Connor

That the Major Projects report be accepted.

CARRIED

Note:

The Committee discussed the cancelled Learn to Ride Project, and asked for the completed survey and concept plan to be made available a community group to progress.

The Committee will receive a detailed report on the cost escalation of the completed Edward Street Sewer Reticulation Project

6.10 LOCAL WATER DONE WELL UPDATE

The Audit and Risk Committee considered progress towards meeting the requirement of the Government's Local Water Done Well legislation.

COMMITTEE RESOLUTION 2024/21

Moved: Mayor Craig Rowley

Seconded: Cr Rick Stevens

That the Local Water Done Well Update report is accepted.

CARRIED

Note:

The Chief Executive has engaged MartinJenkins to undertake modelling work to determine if Council is able to stand alone under the Local Water Done Well legislation, or need to begin conversations with neighbouring councils.

Council has received approval in principal from Taumata Arowai to investigate end of line rural water treatment options, and will look at affordability and viability of either Council installed and charged treatment option or a user responsibility treatment option.

It is important to hold timely public information meetings around Council's current challenges.

MEETING CLOSURE

There being no further business, the Chair closed the meeting at 12.58pm.

The Minutes of this meeting are to be confirmed at the Audit and Risk Committee Meeting scheduled on Tuesday 3 December 2024.

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CHAIRPERSON