



Mackenzie

DISTRICT COUNCIL

Unconfirmed MINUTES

Audit and Risk Committee Meeting

13 July 2021

**MINUTES OF MACKENZIE DISTRICT COUNCIL
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON TUESDAY, 13 JULY 2021 AT 10.00AM**

PRESENT: Mr Bruce Mincham(Chairman), Cr Stuart Barwood, Cr Anne Munro (from 10.08am), Mayor Graham Smith, Cr Emily Bradbury, Cr Murray Cox, Cr Matt Murphy

IN ATTENDANCE: Suzette van Aswegen (Chief Executive), Paul Numan (General Manager Corporate Services), Tim Harty (General Manager Operations), Alexis Gray (General Manager People and Culture), David Codyre (Finance Manager), Angela Oosthuizen (Long Term Plan Project Manager), Arlene Goss (Governance Advisor), Jerard Cowburn (Marsh Insurance), reporter from Stuff.

1 OPENING

The chairman welcomed everyone to the meeting.

2 APOLOGIES

Apologies were received from Cr James Leslie and Chris Genet (AuditNZ). An apology for lateness was received from Cr Anne Munro.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 VISITORS

It was noted that Chris Genet from Audit New Zealand was unwell and not able to attend today, but would meet with the Mayor and chairman later in the week.

5 REPORTS

5.1 MINUTES OF AUDIT AND RISK COMMITTEE MEETING - 18 MAY 2021

The Mayor noted that a planned meeting with the Albury Water Scheme had not yet been held. Paul Numan has received legal advice from Buddle Findlay that the water scheme did not fall within the parameters of a council controlled organisation (CCO) and was not a public entity. The next stage was waiting for advice on the accounting treatment. There was no issue with the delay, as this was not required for the Long Term Plan, but would come up as part of the annual report process.

COMMITTEE RESOLUTION AUD/2021/54

Moved: Mayor Graham Smith

Seconded: Cr Matt Murphy

1. That the Minutes of the Audit and Risk Committee Meeting held on Tuesday 18 May 2021 be received and confirmed as an accurate record of the meeting.

CARRIED

5.2 LONG TERM PLAN 2021-2031 UPDATE

Long Term Plan Project Manager Angela Oosthuizen said she had received a huge volume of audit queries, and this was down to 15 remaining to be answered. She noted that the consultation document would go back to audit tomorrow for review.

Cr Munro arrived and joined the meeting at 10.08am.

An extraordinary meeting to adopt the consultation document would be held in the last week of July or first week of August. Consultation on the Long Term Plan began with iwi yesterday.

Cr Cox noted that changing the dates for the hearing and meetings was an inconvenience and may exclude some councillors from the process.

Environment Canterbury had been informed that Council would be unable to strike regional council rates at the usual time.

Discussion took place on changes related to funding for roading and the impact of this on the LTP process.

5.3 ANNUAL REPORT TIMETABLE AND RISK REGISTER

This report updated the Audit and Risk Committee on the timetable for the audit of Council's Annual Report. Paul Numan took his report as read.

So far 200 audit queries have been received for the annual report. Managing the finance team through this, within the LTP period, was challenging. Accounting support had been organised for the team.

The chairman asked if the audit focus would be different this year. Mr Numan said the issues raised in the last annual report would be a focus, but apart from that he did not know what the issues would be.

The reporter from Stuff arrived and the Mayor interrupted the meeting to introduce the new reporter to the councillors. Discussion then returned to the annual report.

Cr Cox asked if there was a need to re-structure the finance area to meet the needs of audit.

Finance Manager David Codyre said the current team was short staffed by about half an FTE, but there was also a need to consider where tasks sat within the team. A new finance manager was starting in August. Roles and responsibilities would be reviewed by that person.

It was noted that the reason the timeframe was extended was because AuditNZ couldn't meet its requirements, not because the finance team couldn't meet them.

The Mayor said the difficulties posed by AuditNZ would be discussed at the local government conference, as this was creating issues for every council.

5.4 VERBAL UPDATES REQUESTED BY CHAIR

The chairman noted that the subjects he requested updates on were included in the chief executive’s report to the committee and would be discussed under Item 6.2.

6 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION AUD/2021/55

Moved: Mayor Graham Smith

Seconded: Cr Emily Bradbury

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
6.1 - Minutes of Public Excluded Audit and Risk Committee Meeting - 18 May 2021	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
6.2 - CEO Report	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	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
6.3 - Health, Safety and Wellbeing	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	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

CARRIED

COMMITTEE RESOLUTION AUD/2021/56

Moved: Cr Anne Munro

Seconded: Cr Emily Bradbury

That the Audit and Risk Committee moves out of closed meeting into open meeting.

CARRIED

5.5 INSURANCE UPDATE

Jerard Cowburn from Marsh gave a presentation on insurance which is available as an attachment to these minutes.

The meeting adjourned for lunch at 1.04pm and reconvened at 1.30pm.

6 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION AUD/2021

Moved: Cr Anne Munro

Seconded: Mayor Graham Smith

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
6.4 - Risk Management Report	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	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

CARRIED

COMMITTEE RESOLUTION AUD/2021

Moved: Cr Anne Munro

Seconded: Mayor Graham Smith

That the Audit and Risk Committee moves out of closed meeting into open meeting.

CARRIED

The Meeting closed at 2.19pm.

The minutes of this meeting were confirmed at the Audit and Risk Committee Meeting held on .

.....

CHAIRPERSON