

WAIMAKARIRI DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE COUNCIL CHAMBERS, RANGORA SERVICE CENTRE, 215 HIGH STREET, RANGIORA ON TUESDAY, 12 NOVEMBER 2024, WHICH COMMENCED AT 9AM.

PRESENT

Councillor J Goldsworthy (Chairperson), Deputy Mayor Atkinson, Councillors J Ward and P Williams.

IN ATTENDANCE

Councillors B Cairns and A Blackie.

G Bell (Acting General Manager Finance and Business Support), C Brown (General Manager Community and Recreation), P Christensen (Finance Manager), M Harris (Customer Services Manager), D Young (Senior Engineering Advisor) H Street (Corporate Planner) and K Rabe (Governance Advisor).

1 APOLOGIES

Moved: Deputy Mayor Atkinson

Seconded: Councillor Ward

THAT the Audit and Risk Committee:

- (a) **Receives and sustains** apologies for absences from Mayor Gordon and Councillor Fulton.

CARRIED

2 CONFLICTS OF INTEREST

No conflicts of interest were declared.

3 CONFIRMATION OF MINUTES

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

G Bell noted that in the fourth paragraph of the Bancorp Treasury update it stated that *"the Council had a AAA- rating"* when it should actually read that the Council had an *"AA (negative outlook) rating"*.

Moved: Councillor Williams

Seconded: Deputy Mayor Atkinson

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 September 2024, subject to the change to item 4.4 Bancorp Treasury as noted above.

CARRIED

3.2 Matters Arising

Nil.

4 PRESENTATION/DEPUTATION

There were no presentations or deputations.

5 REPORTS

5.1 2024/25 Capital Works September Quarterly Report – D Young (Senior Engineering Advisor), G Cleary (General Manager Utilities and Roading) and C Brown (General Manager Community and Recreation)

D Young and C Brown were in attendance to present this report which advised the Committee of the delivery progress of the 2024/25 Capital Works programme. D Young gave a brief overview and took the report as read.

Deputy Mayor Atkinson noted that many of the projects listed under 'Drainage' were marked as over budget and queried the reason for this. D Young replied that most of those were projects carried forward from the previous year which had been delayed for various reasons. D Young agreed to supply more comprehensive narrative on these projects in the next report.

Councillor Williams noted that the 'replacement irrigator and insurance implications' were shown as 'an at risk' project and questioned why this was so. D Young was unsure of the detail however believed it had to do with consenting issues and agreed to send further information to members.

Councillor Cairns noted that in paragraph 9.3.3 it stated that the 'Kaiapoi wharf pontoon 1 and River Wall' in the redzone food forest project was listed as 'at risk' and asked why this was. C Brown noted that a report on this would be presented to the Kaiapoi-Tuahiwi Community Board in December 2024. The pontoon and river wall project were almost complete and the remaining part of the project, the building of the education centre, would not be completed within the financial year which automatically tagged the project as at risk in the reporting system. However, the project as a whole was progressing well.

D Young further clarified that the reporting system was very specific and if a project showed that not all of the budget would be spent or that a project may over run the timeframe it was tagged as at risk. The delay could be due to building delays, consenting issues or weather conditions. D Young also stated that the report was merely a summary or overview and the detail could be found in the attachments to the report.

Councillor Cairns confirmed that the Heritage and Mahinga Kai was currently on track other than the education centre not being completed by the end of the financial year.

Moved: Deputy Mayor Atkinson

Seconded: Councillor Ward

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 241031188944.
- (b) **Notes** the actual and predicted achievement across all tracked Capital Expenditure.
- (c) **Notes** that of the \$91.31 million total capital spend, \$22.34 million (24%) has been completed, and \$74 million (81%) is predicted to be completed (subject to weather and other matters outside our control).
- (d) **Notes** that progress towards achieving the 24/25 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

Deputy Mayor Atkinson commended the monitoring and reporting of the capital works programme which made getting answers to questions easy and made understanding the Council's delivery status easy to determine.

Councillor Ward thanked the staff for their work in monitoring and keeping Councillors abreast of delivery of the programme.

Councillor Goldsworthy also appreciated the detailed information in the report.

5.2 Non-Financial Performance Measures for the quarter ended 30 September 2024 – H Street (Corporate Planner)

H Street presented the non-financial performance measures for the first quarter noting the targets had been reviewed and amendments made to some measures.

Councillor Goldsworthy queried if the changes had made a difference to staff time when monitoring and was told that the exercise had been an interesting and useful exercise and it would take some time to see the impact of any changes made.

Moved: Councillor Goldsworthy Seconded: Deputy Mayor Atkinson

THAT the Audit and Risk Committee:

- (a) **Receives** report No. 241029187842.
- (b) **Notes** 67 (75%) of performance measures for the first quarter of the 2024/25 financial year were achieved, and 28 were not achieved.
- (c) **Notes** 20 (23%) of the measures did not meet targets, but nine were within 5% of being achieved.
- (d) **Notes** 3 (2%) 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.

CARRIED

Councillor Goldsworthy again stated that he was appreciative of the detailed report and the attention given to monitoring by staff.

5.3 Sefton Community Library- Application for a Rates Remission – M Harris (Customer Services Manager)

M Harris presented the report which requested the granting of a rates remission of \$771.71 to the Sefton Community Library Trustees. She acknowledged that a rates remission had been granted to the Trustees for several years however she believed that the High Court would be making a decision regarding the ownership of the building within the next year.

Councillor Williams queried if the Trustees could rent out the building for storage or some other function in an effort to generate some income. M Harris replied that the building was abandoned and was not safe for any type of use.

Moved: Deputy Mayor Atkinson Seconded: Councillor Ward

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 240924163810.
- (b) **Approves** a rates remission of \$771.71 to cover the 2024/25 rates on the Sefton Community Library Trustees property at 14 Pembertons Road, Sefton (Rates Assessment 2144019400) under the Policy for Remission of Rates in Miscellaneous Circumstances.

- (c) **Notes** the High Court decision in relation to the ownership of the property is expected to be released in late October 2024.

CARRIED

Deputy Mayor Atkinson noted that this situation had been dragging on for some years and until the High Court allowed the building to be sold and demolished the Council would have to continue to grant rates remissions. Councillor Ward concurred.

5.4 Annual Report for Te Kōhaka o Tūhaitara Trust for the year ended 30 June 2024 – P Christensen (Finance Manager on behalf of Te Kōhaka o Tūhaitara Trust)

A Blackie, Chairperson of the Trust and P Christensen presented the Trust's annual report for the year ended June 2024. A Blackie noted that the report had been written by J Hullen, the previous Chair, and would have been presented by the General Manager however he was currently on leave. The report was taken as read.

Councillor Goldsworthy asked for clarification on the financial status of the Trust and A Blackie replied that in the previous financial year the Trust had taken over the running of the Waikuku Camp which had resulted in a loss of funds which was exacerbated by a staff personal grievance process. The withdrawal of some grant funding by the Runanga had also had an impact on the finances however the financial situation was hoped to recover in the near future.

Moved: Councillor Ward

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 241023184317.
- (b) **Receives** the Annual Report of the Te Kōhaka o Tūhaitara Trust for the year ended 30 June 2024.
- (c) **Acknowledges** the work carried out by the Te Kōhaka o Tūhaitara Trust and thanks the Trustees, and staff for their efforts.
- (d) **Circulates** the report to the Community Boards for information.

CARRIED

Councillor Ward acknowledged the challenges faced by the Trust over the last year and thanked A Blackie for his efforts in mitigating the damage that could have been encountered.

G Bell acknowledged and thanked A Hagerty for his work in ensuring the Trust's audit was successful noting that the Council had paid the audit fees for the Trust.

Deputy Mayor Atkinson noted that he was not supportive of the increased fees for auditing services and believed that the local authorities should be more vocal regarding the increased fees being charged for an essential service such as audits.

5.5 Financial Report for the period ended 30 September 2024 – P Christensen (Finance Manager)

P Christensen presented the financial report for the period ended 30 September 2024 and took the report as read.

Councillor Williams noted that the use of the term 'surplus' gave the wrong impression to the public and queried if another term could be used. G Bell noted that this was an accounting term however staff could specify this as operational surplus. Councillor Williams then asked if the term could be explained that the surplus was not a 'profit' so that the public did not think that the Council was making money at their expense. G Bell agreed that this could be done.

Deputy Mayor Atkinson requested that the Comms Team put together a paragraph explaining the usage of the term 'surplus' and it be emailed to all Councillors so that a consistent message was sent when members of the public asked elected members about the Council's surplus funds.

Moved: Councillor Williams Seconded: Deputy Mayor Atkinson

THAT the Audit and Risk Committee:

- (a) **Receives** Report No.241030188224.
- (b) **Notes** the surplus for the period ended 30 September 2023 is \$1.2 million. This is \$0.9 million under budget.

CARRIED

6 PORTFOLIO UPDATES

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

Annual report

The annual report was adopted by the Council on 15 October 2024, well within the statutory deadline. The full annual report and summary were available on the Council's web-site. Audit New Zealand had not yet issued their detailed report on its work, however we hope that this would be reported to the next meeting of the Committee.

Treasury management

On 15 October 2024 Council repaid a \$10 million loan to the Local Government Funding Agency and took out a new loan of \$20 million. This net increase in borrowing of \$10m takes the total debt to \$210 million. The additional borrowing was needed to pay for this year's capital works programme. The floating interest rate for the loan was 5.22% for the first three months.

Annual Plan 2025/26

Work on the annual plan 2025/26 was now underway, with the budget holders due to return their first draft budgets to the finance team by 14 November 2024. The finance team would then start the detailed analysis of the draft budgets for review by the management team in December 2024.

6.2 Communications and Customer Services – Councillor Joan Ward

Communications

Local Water Done Well

Staff had formed a protocol for communications across WDC, Hurunui and Kaikoura councils as the Council explores a joint plan re Local Water Done

Well. Regardless of the final shape or form this may take, this has ensured that any responses to media queries on this topic were uniformed and the media could not play partners off against one another. The workshops in December would have a holding statement prepared and each councils comms regarding the 'options report' for them to consider in early 2025 and would have a central review from the councils perspective.

Online engagement platform / success of database building through Parking Management Plan

Currently 2,830 registered users of the engagement platform. This was built by requiring registrations from users through a short and simple process before accepting submissions. This was normal for local government however recently the database had been used for the Parking Survey which had outstanding results. An email was sent to database subscribers who expressed an interest in roading/town centres/parking projects. There were 1,700 recipients of an email that encouraged submissions. Within hours there was a 68% open rate of the email (anything over 30% was considered exceptional), 365 click throughs, 514 webpage visits and those before were the submissions. 424 visitors (this was lower than visits because it doesn't count multiple visits from the same user) and 195 submitters of which the quality of submission was high.

Northern Pegasus Bay Bylaw

This bylaw was adopted in October 2024 and had become operative in November 2024. It followed an 18-month engagement process that involved key stakeholders, members of the public, community meetings etc. Council received feedback from 428 residents on the bylaw and were updating signage in beach access areas during the coming months. Of note was the trialling of a new signage material that was completely recyclable.

Newsletter – Civil Defence series

One of the core tasks of a Civil Defence PIM (Public Information Manager) was raising awareness of hazards and risks. Council thought it would also raise awareness of the role of an Emergency Operations Centre and highlighted the amazing staff who helped coordinate its responses to emergencies. To do this Council profiled the staff and used its e-newsletter as well as social channels to do so:

- What happens at an Emergency Operations Centre - <https://www.waimakariri.govt.nz/council/news-and-information/2024/10/what-happens-at-an-emergency-operations-centre>
- Meet Waimakariri's Civil Defence Team: the Controller - <https://www.waimakariri.govt.nz/council/news-and-information/2024/10/meet-waimakariris-civil-defence-team-the-controller>
- Meet Waimakariri's Civil Defence Team: the Personal Assistant Supporting Our Controller - <https://www.waimakariri.govt.nz/council/news-and-information/2024/10/meet-waimakariris-civil-defence-team-the-personal-assistant>
- Meet Waimakariri's Civil Defence Team: the Planning Manager - <https://www.waimakariri.govt.nz/council/news-and-information/2024/10/meet-waimakariris-civil-defence-team-the-planning-manager>
- Meet Waimakariri's Civil Defence Team: the Intelligence Manager - <https://www.waimakariri.govt.nz/council/news-and-information/2024/10/meet-waimakariris-civil-defence-team-the-intelligence-manager>
- Have You Got Your Grab Bag Ready? - <https://www.waimakariri.govt.nz/council/news-and-information/2024/10/have-you-got-your-grab-bag-ready>

- Meet Waimakariri's Civil Defence Team: PIM Managers - <https://www.waimakariri.govt.nz/council/news-and-information/2024/11/meet-waimakariris-civil-defence-team-pim-managers>

Social Media highlights

Facebook continued to be the primary social channel with 24,500 followers and regular post engagement of approx. 49,000. The Council grows by approximately 120 followers per month. Instagram was growing organically and targets a lower age demographic and had approximately 600 posts. This year the Council had been paying special attention to LinkedIn to target a different demographic or residents. It had 2,783 followers currently and the content reached anywhere between 500 to 900 impressions depending on the post. This was not only a different audience to other social platforms however allows a vehicle for the Council to 'own its successes' and use this to attract high quality candidates to its vacancies.

Libraries website upgrade

Staff were helping the Libraries team upgrade its website in the same programme that the full Council website had been upgraded. To do this staff were using internal knowledge, working with its supplier Squiz, and upskilling staff on the platform to do as much as possible for themselves. The reason for working with a templated starting point was that it allowed the Libraries to undertake this project for as low a cost as possible.

Other highlights

- Over 100 media queries received and responded to in the last quarter
- 49 news stories produced during the same period
- 147,000 hits to the website. With search continuing to dominate the page visits. Almost 70% of traffic was coming from Google, 19% from other search engines and 3% from Facebook. What this indicated was that people visit the site to achieve tasks and the top searched event items confirmed were – Rates, District Plan, Dogs, Lims, Fees and Charges, Fact Sheets, and Halls and Venues

Customer Services

- The second instalment of rates was due on 20th November 2024 so busy with the payments coming in.
- Staff had sent out 240 mortgagee notification of rates arrears letters this month. There were 36 further accounts with no mortgage and a final notice would be sent to those ratepayers.
- Numbers are reduced from 902 in August 2024 and 469 in September 2024 therefore great to see that so many people have paid or have made payment arrangements.
- LIM numbers were up with 264 LIMs issued during October 2024 which was the busiest October since 2003 when 296 were issued.
- The team had been really busy with Datascape work, with staff working on LIMs, Cemeteries, Contacts, Rates, Finance (Debtors and cash receipting) and Animals.

7 QUESTIONS

8 URGENT GENERAL BUSINESS

NEXT MEETING

The next meeting of the Audit and Risk Committee will be held on Tuesday 10 December 2024 at 9am.

THERE BEING NO FURTHER BUSINESS, THE MEETING CONCLUDED AT 11.02AM.

CONFIRMED



Chairperson
Councillor Goldsworthy

10 December 2024

Date