

**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, 13 AUGUST 2024, WHICH COMMENCED AT 9AM.**

**PRESENT**

Councillor J Goldsworthy (Chairperson), Councillors T Fulton, J Ward, P Williams and Mayor D Gordon (arrived at 9.06am and departed at 10.03am).

**IN ATTENDANCE**

Councillors B Cairns, P Redmond and R Brine (arrived at 9.50am).

J Millward (Chief Executive), G Bell (Acting General Manager Finance and Business Support), P Christensen (Finance Manager), K Blake (Health, Safety and Wellbeing Manager), G Cleary (General Manager Utilities and Roding) C Roxburgh (Project Delivery Manager), H Street (Corporate Planner), and K Rabe (Governance Advisor).

**APOLOGIES**

Moved: Councillor Williams

Seconded: Councillor Ward

**That** an apology for absence be received and sustained from Deputy Mayor Atkinson and an apology for lateness from Mayor Gordon who arrived at 9.03am.

**CARRIED**

**1 CONFLICTS OF INTEREST**

No conflicts of interest were recorded.

**2 CONFIRMATION OF MINUTES**

**2.1 Minutes of a meeting of the Audit and Risk Committee held on Tuesday 11 June 2024**

Moved: Councillor Williams

Seconded: Councillor Fulton

**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 11 June 2024.

**CARRIED**

**2.2 Matters Arising**

There were no matters arising.

**3 PRESENTATION/DEPUTATION**

There were no presentations or deputations.

## 4 REPORTS

### 4.1 Audit New Zealand Management Report on the Long-Term Plan (LTP) for the period 1 July 2024 to 30 June 2034 – P Christensen (Finance Manager)

P Christensen introduced the report which presented the Audit New Zealand management report on the Long Term Plan (LTP) for the period of 1 July 2024 to 30 June 2034. The Council was issued an unmodified opinion on the LTP on 25 June 2024 which showed this was a clean report however it drew attention to the level of uncertainty over the New Zealand Transport Agency (Waka Kotahi) funding of the Rangiora Eastern Link Road and Skew Bridge Projects.

Councillor Williams raised concerns regarding risks in relation to the increased borrowing limits for the Local Government Funding Agency with the possible implementation of the new Local Water Done Well policy, if one of the local authorities within the group failed. P Christensen replied that the rating agencies' credit rating for the Local Government Funding Agency was unlikely to drop or increase by a significant amount.

Councillor Fulton questioned the timing of the New Zealand Transport Agency's (NZTA) funding announcements in relation to the Council's Long Term Plan process, given that this could have significant implications for large roading projects within the district. J Millward responded that this had always been an issue for all local authorities, however NZTA would not consider funding projects that were not included in the LTP and there was little likelihood of a change to NZTA's timelines to coincide with councils' timeframes in the future.

Councillor Redmond queried what the current interest rate margins on bank loans compared with the Local Government Funding Agency and J Millward responded that it was approximately 2% higher. The Local Government Funding Agency (LGFA) would work with councils if required, however it was highly unlikely that councils would fail.

Councillor Fulton queried the cost of software services and P Christenson replied that software could not be considered an asset as the Council did not own the software and only had a licence to use it. Given the Council was in the process of changing software there was a large expenditure required for the implementation however this would be smoothed over the next ten years and was considered an operational cost.

Moved: Councillor Ward                      Seconded: Councillor Williams

**THAT** the Audit and Risk Committee:

- (a) **Receives** report No. 240711114097.
- (b) **Receives** Audit New Zealand's Management Report on the Long-Term Plan (LTP) for the period 1 July 2024 to 30 June 2034 (TRIM 240723120893).
- (c) **Notes** there are no significant matters arising from the management letter.

**CARRIED**

Councillor Ward noted that this was a good report given the stringent audit that was undertaken.

Councillor Williams requested that a report be presented to the Audit and Risk Committee on the impact of the introduction of the new water entities in relation to possible risks and liabilities going forward.

Mayor Gordon stated that he believed that it was too early to have definitive information as decisions had yet to be made.

Councillor Redmond agreed with the Mayor that requesting information was premature and applauded the Finance Team for a good result.

Councillor Goldsworthy concurred with Councillor Redmond.

#### 4.2 Outcomes of the Waimakariri District Council Health and Safety Risk Register Review February 2024 – K Blake (Health, Safety and Wellbeing Manager)

K Blake spoke to the report which presented the outcomes of the 2024 Health, Safety and Wellbeing Risk Register review and the associated action plan for high-risk and/or high consequence activities. There were nine identified and recorded risk themes which included one critical, five high and three medium risks related to stress, harm from violent/aggressive public, harm from hazards not identified and workplace bullying/harassment.

Councillor Williams expressed concern at the costs related to skid training, four-wheel drive training and road management training. He believed that if a person had a driver's licence it was not necessary to send them on skid training and questioned how many staff were required to drive off road. K Blake replied that this matter had been reviewed and fewer staff were being included in the training and retraining had been extended from three years to five years. She also noted that only staff who were likely to drive off road or would need traffic management skills were sent for that training. Staff were investigating on-line courses which could work in the future.

Councillor Goldsworthy queried if there were liability issues which could impact on insurance if staff were not sent for additional training. K Blake responded she was unsure of the insurance implications however, the Council had a duty of care to its employees.

Councillor Fulton questioned if staff reported instances of aggressive behaviour from the public out of work hours. K Blake replied that staff were encouraged to report all instances of verbal or physical abuse however this did not always happen. Councillor Fulton asked if it was possible to get a breakdown of after hours incidents. K Blake replied that there were known incidents in Oxford and also social media abuse was common. This had led to increased conversations with the Police and some incidents were formally reported. However, for the Police to be able to assist there needed to be evidence of the abuse which was sometimes difficult to obtain.

Councillor Goldsworthy queried if the review showed a lowering of the risk to staff wellbeing. K Blake replied that there had been a positive response in staff wellbeing by acknowledging the issues and the introduction of the RAISE workplace health programme which had also improved the situation. She also noted that recruitment and filling vacancies had also alleviated stress levels of staff.

Moved: Councillor Ward                      Seconded: Councillor Fulton

**THAT** the Audit and Risk Committee:

- (a) **Receives** Report No 240515077941.
- (b) **Notes** that there has been no significant change in risk assessments during this review, however, there has been an improvement in the quality of the descriptors of current control measures/risk treatments for each risk.
- (c) **Notes** that while there have been no significant changes in risk assessments, there has been change overall in the presentation of the risk register to align with the WDC Risk Management Framework.
- (d) **Notes** The current Health, Safety and Wellbeing Risks (appendix A of the report).

**CARRIED**

Councillor Ward agreed that the Council had a duty of care to its employees and congratulated K Blake for supporting staff during difficult times.

Councillor Fulton thanked K Blake for giving staff the opportunity to come forward when they felt uncomfortable and for providing a feeling of security in the workplace.

Councillor Redmond supported skid training and felt it was of good value however agreed that only staff who required the training should be sent. He wished to point out that elected members should not be forgotten as they often took the brunt of criticism and social media abuse from frustrated members of the public.

Mayor Gordon concurred with Councillor Redmond's comments and supported the need for programmes to include elected members to assist with reducing stress and the effects of harassment.

Councillor Goldsworthy stated that the effects of harassment and social media could not be underestimated.

**4.3 2023/24 Capital Works June Quarterly Report – D Young (Senior Engineering Advisor), G Cleary (General Manager Utilities and Roading) and C Brown (General Manager Community and Recreation)**

G Cleary and C Roxburgh spoke to the report which showed the progress of the delivery of the 2023/24 Capital Works programme, noting that the results appeared poor in relation to the previous years results. It was noted that some of the projects had been impacted by New Zealand Transport Agency (NZTA) funding being withdrawn and some due to supply issues. However, all the Shovel Ready projects had been completed.

Councillor Redmond asked what percentage of projects that had not been completed had been a result of a Council decision to put the project on hold. G Cleary replied that this was high level reporting and that type of information would not be shown in this format however those projects were taken into account when scheduling projects for coming years.

Councillor Fulton noted that projects initiated by community boards seemed to be often delayed which caused frustration for the boards and queried if community involvement in some of these smaller projects should be encouraged. This could give staff the ability to concentrate on larger more complex projects. G Cleary acknowledged board frustration and noted that this would need staff and board delegations to be reviewed, however this had the potential to increase risks for the Council.

J Millward stated that growth councils, such as the Waimakariri District Council, operated in complex environments. Development delays, delays in the supply of goods and services and weather events all impacted on project delivery. Any emergency event took staff out of business as usual. Land purchase was complex as the Council had to balance price and timing to ensure there was sufficient land for infrastructure development and improvements. He acknowledged it was impossible to achieve 100% delivery in any given year however anything over 90% was considered a good outcome.

Councillor Fulton confirmed that negotiations were ongoing for the Ohoka UV plant. He also queried who carried the cost if projects ran over such as the Ashley Gorge bridge.

Councillor Goldsworth queried if emergency work was factored into the annual project delivery figures. G Cleary replied that it was added to the programme which then showed negatively on projects.

Councillor Williams

Seconded: Councillor Goldsworthy

**THAT** the Audit and Risk Committee:

- (a) **Receives** Report No. 240731126257.
- (b) **Notes** the actual and predicted achievement across all tracked capital expenditure.

- (c) **Notes** that of the \$89.81mill total capital spend, \$56.29mill (62.7%) has been completed.
- (d) **Notes** that the previous March Quarterly Report predicted completion of 67.4%.
- (e) **Notes** that progress towards delivering the 2024/25 programme has begun, and staff will report on this after the September quarter.

**CARRIED**

Councillor Williams stated the Council need to be realistic in what could and could not be achieved in any given year and supported the review of delegations to allow staff to get on and do the work required.

Councillor Goldsworthy acknowledged the frustration due to delays outside of the Council's control.

Councillor Ward acknowledged the huge workload carried out by staff and noted that it must be satisfying when a project was delivered on time. She also acknowledged the quick response times during emergencies which took staff from their core role. However, she also believed there were benefits to be achieved when faced with a challenge and made achieving the end result more satisfying.

Councillor Redmond noted that the report was sobering and indicated capacity issues and staff capability for completing the programme in the given timeframe and queried if the Council was setting staff up to fail by setting aspirational goals.

Councillor Fulton believed that the targets set were ambitious and reiterated community board frustrations. He believed that the Council should harness other options to free up staff to concentrate on larger more complex projects.

G Bell noted that achievement over 80% was considered good in this sphere and it was largely acknowledged in the sector that 100% was unachievable.

#### **4.4 Non-Financial Performance Measures for the year ended 30 June 2024 – H Street (Corporate Planner)**

H Street took the report, which provided the results of the Long Term Plan 2021-2031 non-financial performance measures for the 2023/24 financial year, as read.

Councillor Redmond noted the decrease in library visits shown and asked if this was due to digitalisation. H Street noted that this seemed to be a trend during this financial year which could prompt a review on the value of bricks and mortar however it was acknowledged that libraries were more than just books in today's world.

Councillor Goldsworthy queried the wording of recommendation (b) and it was confirmed that "... and 28 were not achieved" should be removed from the recommendation.

Moved: Councillor Goldsworthy

Seconded: Councillor Ward

**THAT** the Audit and Risk Committee:

- (a) **Receives** report No. 240723120874
- (b) **Notes** 77 (69%) of performance measures for the 2023/24 financial year were achieved.
- (c) **Notes** 34 (31%) of the measures did not meet target, but nine were within 5% of being achieved.
- (d) **Notes** all measures were reviewed and incorporated into the 2021-2031 LTP.
- (e) **Notes** all measures have been reviewed for the 2024-2034 LTP and adopted for the 2024-2027 financial years.

Councillor Goldsworthy congratulated H Street on a good report and good outcomes.

## **5 PORTFOLIO UPDATES**

### **5.1 Audit, Risk, Annual / Long Term Plans – Councillor Joan Ward**

#### **Annual report**

Having worked hard finalising the LTP, finance staff moved more or less straight into annual report mode. They were aiming to get the first draft of the financials ready for the auditors on 19 August 2024. This was a tight deadline, however it was important not to delay the audit. The main challenge this year would be getting the infrastructure valuations completed and audited in a timely manner as there was quite a bit of complexity involved. We had already made good progress on the non-financial aspects of the annual report, with the performance measures for the full 2023/24 year reported to today's meeting.

#### **Treasury management**

We had \$10m debt that matured on Thursday 15 August 2024. The Council would roll the debt and keep its total borrowing at \$200m. Additional borrowing was likely to be required in October 2024 to help fund this year's capital works. Some reductions in market interest rates are beginning to be seen which bodes well, however there is always the uncertainty in relation to future interest rates.

#### **Annual Plan**

Although the Council only recently completed its LTP, staff are already starting to look forward to the Annual Plan for 2025/26. This included early planning of the project and tracking factors that may have had an impact on future budgets.

### **5.2 Communications and Customer Services – Councillor Joan Ward**

#### *Communications*

##### **Local Water Done Well**

The team had been working with the Mayors and CEs of Kaikoura, Hurunui and Waimakariri District Councils to lead the communications and engagement for this important collaboration. The first announcement and related internal communications to staff and local Government partners went out in early August 2024. The team are excited to take the community on this journey as the model was developed further.

##### **Online engagement platform**

The digital engagement platform continued to grow its following. There are now over 2750 registered participants on the platform. When these participants are emailed an average open rate of 80% was received which was outstanding. By comparison 25% was considered an effective email marketing campaign. Recent projects to use the platform included the Beach Volleyball in Waikuku, Oxford Football using the Cust Domain, Northern Pegasus Bay Bylaw, Pegasus Youth Space and others.

##### **Parking Survey**

The Integrated Transport Strategy identified that parking in Kaiapoi and Rangiora needed to be investigated. In the first phase of a two-pronged engagement process feedback was being sought from town centre businesses and operators to build on the baseline of knowledge. Once this stage was completed, a similar set of questions will be asked to residents and town centre shoppers.

### **Media Training for Management Team**

Significant media training was undertaken for six staff to prepare them for encountering the media. This included a theory session, exercises, being put on camera, critique and follow up comments. In previous years this had been facilitated by an external consultancy however the skills in the team are such that it can deliver a better service at no cost.

### **Civil Defence Public Information Management internal training**

Internal training for staff outside the Comms and Engagement team has been undertaken to bolster the numbers for Civil Defence PIMs (Public Information Managers). This was important to do as the CE had identified that he would like to see each function have five skeleton shifts available for deployment to ensure there was capacity within the organisation to look after residents during a natural disaster. Training was undertaken and systems put together in house to meet this requirement. Currently the Council now had four shifts and were identifying further staff to be part of the team.

### **Long Term Plan**

The team had been involved in the creation of the document, organisation of meetings etc. Following adoption, the focus turned to closing the loop through responding to submitters.

### **Otherwise, a couple of highlights from our recent metrics for between April to June include:**

- 30 news stories, 102 media queries
- 6 engagement projects
- An electronic newsletter project called '*A day in the life of a Kerbside Collection Driver*' took a fun look at an occurring problem in the placement of rubbish bins across the District. The feedback received on this had been very positive and a lot of residents responded positively to this 'softer' tone of messaging. Often punitive messaging damaged how residents saw the Council.

Councillor Williams expressed concern that there was more information out in the public domain on three water reforms than elected members were being given by the Comms Team. This was especially concerning for him as this was his portfolio and he felt he did not have sufficient information to answer queries. J Millward stated that once all the options had been worked through elected members would be fully briefed however he acknowledged that there was a lot of speculation in the media. Councillor Williams believed that there should be clearer messaging that no decisions had been made as the media were implying that the new arrangements were a done deal.

### *Customer Services*

- Dog registrations were due by 31 July. The second year of the multi-year dog tag went well with very few new tags issued. Staff noticed the reduction in administration work, and there were significant savings on postage as well.
- Over 1600 rates rebates had been completed and there were firm bookings for the next few weeks. The full rebate was \$790 for this year.
- Around 900 letters had been sent out on rates arrears owing from previous years. Invitation for people to make contact so staff can look at appropriate payment arrangements.
- Datascape Service Requests went live on 1 July 2024. Staff had managed the changeover very well. The next areas being worked on are rates, land and property, cash receipting, debtors and debt management.
- LIM numbers had remained steady over the winter and there are already 200 applications ahead of the same time last year.

Councillor Fulton requested a review of capabilities on the Snap Send Solve to incorporate the option for an elected member to be identified as such. It was determined that staff should offer training on the system to ensure that elected members were able to utilise this ap to its full capabilities. Councillor Fulton also queried the 'completion' status and was told that completion was to the contractors standard. Councillor Fulton also queried the status of the review on the search function for the web and was informed this was still being worked through.

Councillor Williams noted that he has received feedback that the multi-year dog tags were not up to standard and that the numbers and bar code washed off. However no such feedback had been received officially and there were only a few replacement tags requested during the previous year.

**6 QUESTIONS**

Nil.

**7 URGENT GENERAL BUSINESS**

Nil.

**8 MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED**

In accordance with section 48(1) 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 (or sections 6, 7 or 9 of the Official Information Act 1982, as the case may be), it is moved:

Moved: Councillor Goldsworthy                      Seconded: Councillor Ward

1. That the public be excluded from the following parts of the proceedings of this meeting:  
Item 9.1      Update on Insurance Matters.

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:

<b>Meeting Item No. and subject</b>	<b>Reason for excluding the public</b>	<b>Grounds for excluding the public-</b>
9.1 Update on Insurance Matters	Good reason to withhold exists under section 7	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) (LGOIMA s 7(2)(i)).

**CARRIED**

**CLOSED MEETING**

*The public excluded portion of the meeting commenced at 10.47am and concluded at 11.03am.*



**OPEN MEETING**

***Resolution to resume in Open Meeting***

Moved: Councillor Goldsworthy

Seconded: Deputy Mayor Atkinson

**THAT** the open meeting be resumed and the business discussed with the public excluded remained public excluded.

**CARRIED**

**NEXT MEETING**

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

THERE BEING NO FURTHER BUSINESS, THE MEETING CONCLUDED AT 11.07AM.

**CONFIRMED**

\_\_\_\_\_  
Chairperson  
Councillor Goldsworthy

2024

\_\_\_\_\_  
Date

UNCONFIRMED