

WAIMAKARIRI DISTRICT COUNCIL

MINUTES OF A MEETING OF THE AUDIT AND RISK COMMITTEE HELD IN THE COUNCIL CHAMBERS, CIVIC BUILDINGS, HIGH STREET, RANGIORA ON TUESDAY, 14 FEBRUARY 2023, AT 9AM.

PRESENT

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

IN ATTENDANCE

Councillors P Redmond (via Teams) and B Cairns.

J Millward (Acting Chief Executive), G Cleary (General Manager Utilities and Roading), C Brown (General Manager Community and Recreation), H Street (Corporate Planner) and K Rabe (Governance Adviser).

1 APOLOGIES

Moved: Councillor Atkinson

Seconded: Councillor Goldsworthy

An apology was received and sustained from Mayor Gordon.

CARRIED

2 CONFLICTS OF INTEREST

No conflicts of interest were declared.

3 RECEIPT OF MINUTES

3.1 Minutes of a meeting of the Audit and Risk Committee held on Tuesday 22 November 2022

Moved: Councillor Ward

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** for information the circulated Minutes of a meeting of the Audit and Risk Committee, held on 22 November 2022.

CARRIED

3.2 Matters Arising

Councillor Redmond queried if the Official Information Requests had been uploaded to the Council's website as requested at the last meeting. J Millward agreed to check on the progress with the request and to report back to the Committee.

4 PRESENTATION/DEPUTATION

Nil.

5 REPORTS

5.1 2022/23 Capital Works December Quarterly Report – G Cleary (General Manager Utilities and Roading), C Brown (General Manager Community and Recreation) and D Young (Senior Engineering Advisor)

G Cleary spoke to the report, noting that in large the Council was on track to deliver the Capital Works Programme for the 2022/23 financial year, and where projects were not delivered it would be mostly be due to development timing. All the Shovel Ready Projects were also on track and he was confident that deadlines would be met.

Councillor Fulton enquired what damage the willow walls in Lees Valley had sustained. G Cleary did not have that information at hand, however, agreed to forward the information to the Committee after the meeting.

Moved: Councillor Atkinson

Seconded: Councillor Fulton

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 230202013800.
- (b) **Notes** the actual and predicted achievement across all tracked capital expenditure.
- (c) **Notes** that of the \$74.80 million total capital spent, \$36.76 million (49%) was completed and \$69.38 million (93%) was predicted to be completed.
- (d) **Notes** that progress towards achieving the 2022/23 Capital Works Programme was well advanced across most areas. However, there were a number of projects either delayed or at risk, as reported elsewhere in the report.

CARRIED

Councillor Atkinson thanked staff for the informative report which gave a clear indication of where the Council was in relation to achieving its Capital Works Programme.

5.2 Financial Report for the period ended 31 December 2022– P Christensen (Finance Manager)

M Millward spoke to this report, advising that operating costs were over budget, and the two main factors contributing to this were costs from the July 2022 flooding event and depreciation being over budget as a result of increases in revaluations at 30 June 2022.

Councillor Fulton questioned the possibility of annually budgeting for mitigating the costs from flooding, J Millward stated that to date the Council had not budgeted for unseen natural disasters and post funded, however, agreed that this may need to be reviewed during the strategic planning to be held in the near future.

Councillor Williams drew the Committee's attention to paragraph 4.3, bullet point four which gave the figure of \$0.7 million for recreation, however there was no breakdown as shown for the other bullet points. J Millward agreed to look into this and report back to Councillor Williams with the figures after the meeting.

Moved: Councillor Fulton

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 230131012193.
- (b) **Notes** the surplus for the period ended 30 December 2022 was \$4.5 million. This was \$7.9 million under budget and reflected both lower operating revenue and operating expenditure over budget from the July 2022 flooding event and depreciation.

CARRIED

5.3 **Non-Financial Performance Measures for the year ended 31 December 2022 – H Street (Corporate Planner)**

H Street took the report as read.

Councillor Atkinson confirmed that the method of measuring non-financial performance would be reviewed for the next Long Term Plan (LTP). As background, he explained that other councils used a scale method which tends to be more flexible than a flat figure. A scale tends to measure the level of performance achieved, i.e. 98% to 100% could still be considered attainment. However, with a set figure you could have achieved 99.8% of the key performance indicator and would still measure as unachieved, which impacted when audited on performance achievements.

Councillor Williams raised a concern raised by members of the public about the lack of communication from the Council's Human Resources Unit when applying for a position. J Millward explained that some delays may be caused by the requirement for credit and or police checks on applicants, however, he undertook to follow up to ensure that applicants were kept informed on the status of their applications.

Moved: Councillor Ward

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 230201013036.
- (b) **Notes** that 64% of the Non-financial Performance Measures for the second quarter of the 2022/23 financial year were achieved, and 34% were not achieved.
- (c) **Notes** that 18 of the 38 Non-financial Performance Measures which did not meet the targets were within 5% of being achieved.
- (d) **Notes** two Non-financial Performance Measures were not due for completion until later in the financial year.
- (e) **Notes** all measures had been reviewed and incorporated in the 2021-2031 Long Term Plan.
- (f) **Notes** the enhancements made to the Opal3 report in this quarter.

CARRIED

6 PORTFOLIO UPDATES

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

- Commended J Millward and staff for the great effort on the Annual Plan presentation and the initial draft budgets which show a 5.97% average rate increase for the 2023/24 financial year. The budgets were exemplary in the presentation and the fact that the Council was able to sign off on this work in one day was a testament to the organisation of staff.
- The LTP Planning Group had two meetings to work on the schedule and workplan for the 2024-2034 LTP, and a strategy day was planned for 17 February 2023 to form a number of high-level priorities to be considered for the LTP.
- Uncertainty of Three Waters reform and other Government reviews would result in the budgets being included in the LTP but with the option that if Three Waters proceeded in its current form these activities would be able to be removed with an alternative structure and a ten year budget plan.
- She commended the Council on obtaining, for the third time, a Double AA rating with Standard and Poors.
- LTP audit and timetable was at risk due to a number of uncertainties one of them being the continued backlog of work and lack of resources in the Auditor-General's Office.

6.2 Communications and Customer Services – Councillor Joan Ward

- The Association of Local Government Information Management (ALGIM) national benchmarking survey on Council Customer Service for 2022 saw the Waimakariri District Council achieve an “excellent customer service experience” rating and a ranking of fourth out of 80 with a score of 89.7%.
- She noted the recruiting for a new frontline staff member due to an internal move by current staff.
- Land Information Memorandum (LIM) numbers were down for January 2023 with only 105 issued which is the lowest since 2011. It was confirmed by other property professionals that conveyancing had been slow. Therefore, one of the team were currently assisting the Utilities and Roading Unit with administration.
- Rates recovery had reached the formal mortgage demand stage and 127 demands were made on mortgages, however, this was significantly reduced from the number of advisory notices that were delivered to the banks three months ago.
- As of 13 February 2023 the Council had granted 2,539 rates rebates for the 2022/23 financial year. This compared with 2,526 for the whole of the previous financial year. The Council would be advertising during March 2023 to educate those people who may not realise they qualified for a rates rebate.
- Engagement topics from this period includes:
 - Location for Pegasus facilities
 - Further submissions for the Ohoka Plan Change
 - Greater Christchurch Urban Growth Work Programme
 - Urban forest
 - Local Government Official Information and Meetings Act (LGOIMA) Amendment Bill
 - Three Waters second bill select Committee process
 - Pegasus Bay Bylaw review.

7 QUESTIONS

Nil.

8 URGENT GENERAL BUSINESS

Nil.

9 MATTERS TO BE CONSIDERED WITH THE PUBLIC EXCLUDED

Section 48, Local Government Official Information and Meetings Act 1987.

Moved: Councillor Atkinson

Seconded: Councillor Goldsworthy

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

The general subject of the matter to be considered while the public was excluded, the reason for passing this resolution in relation to the 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, was as follows:

Item No	Minutes/Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
2.1	Safety items from monthly Airfield Advisory Group Meeting	Correspondence	Good reason to withhold exists under Section 7	Section 48(1)(a)

This resolution was made in reliance on section 48(1)(a) 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 which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public were as follows:

Item N°	Reason for protection of interests	LGOIMA Part 1, Section 7
2.1	Protection of privacy of natural persons; Expression of free and frank opinions.	Section 7 2(a) Section 7 2(f)i

CARRIED

CLOSED MEETING

The public excluded portion of the meeting commenced at 9.27am and concluded at 9.50am.

9.1 Safety Items from monthly Airfield Advisory Group meeting

Moved: Councillor Atkinson

Seconded: Councillor Goldsworthy

THAT the open meeting resumes and that the resolutions made within the public excluded be remains public excluded until determinations by the Civil Aviation Authority have been made.


CARRIED

NEXT MEETING

The next meeting of the Audit and Risk Committee will be held on Tuesday 14 March 2023 at 9am.

THERE BEING NO FURTHER BUSINESS THE MEETING CONCLUDED AT 9.56am.

CONFIRMED



Chairperson

14 March 2023

Date