

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, 22 NOVEMBER 2022, AT 9AM.

PRESENT

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

IN ATTENDANCE

Councillors Redmond and Cairns.

J Millward (Acting Chief Executive), G Cleary (Manager Utilities and Roading), C Brown (General Manager Community and Recreation) P Christensen (Finance Manager), S Hart (Strategy and Business Manager) and K Rabe (Governance Adviser).

1 APOLOGIES

There were no apologies.

2 CONFLICTS OF INTEREST

No conflicts of interest were recorded.

3 RECEIPT OF MINUTES

3.1 Minutes of a meeting of the Audit and Risk Committee held on Tuesday 20 September 2022

Moved: Councillor P Williams

Seconded: Councillor J Ward

THAT the Audit and Risk Committee:

- (a) **Receives** for information the circulated Minutes of a meeting of the Audit and Risk Committee, held on 20 September 2022.

CARRIED

3.2 Matters Arising

There were no matters arising from the minutes.

4 PRESENTATION/DEPUTATION

4.1 Kaiapoi Promotions Association – M Pinkham

M Pinkham, Chairperson and Tracy Inwood, Event Manager and Secretary for the Kaiapoi Promotions Association were in attendance to update the Committee on the progress and status of work done by the Association during the previous financial year.

In relation to the plans for the Christmas Festival to be held on the first Saturday in December, Councillor Ward enquired if accessible parking for disabled people would be provided. M Pinkham responded that parking for disabled people had been set aside and would be clearly signposted.

Councillor Atkinson enquired how the Association envisioned funding some of its proposed initiatives. M Pinkham stated that the Association was requesting the Council to consider covering costs for road closures and traffic management for events managed by the Associations district wide, further discussions with Environment Canterbury (ECan) would be required regarding the provision of shuttle buses between town centres, Enterprise North Canterbury (ENC) were already working on mapping areas within the district and the iconic Waimakariri event would need a large amount of funding which would need to be raised. Councillor Atkinson noted that the matter of traffic management and road closures may need to be reviewed to ascertain whether the Council was in a position to assist.

Mayor Gordon suggested that this could be investigated by the Councillor holding the Roding Portfolio, stating he was aware the Council had a small budget for this activity but was unsure of the exact scope. Mayor Gordon thanked the Association for their ongoing work in promoting the district, and the town centres.

Councillor Ward noted that the Council was unable to apply for Government funding for events but that ENC were, and suggested that the Association may like to investigate the possibility of working with ENC to apply for funding for the Waimakariri iconic event.

The Chairperson thanked the Association for their presentation and for the ongoing work done on behalf of the district.

5 REPORTS

5.1 2022/23 Capital Works September Quarterly Report – Gerard Cleary (General Manager Utilities and Roding), Chris Brown (General Manager Community and Recreation) and Don Young (Senior Engineering Advisor)

G Cleary and C Brown spoke to the report which updated the Committee on the progress of the delivery of the 2021/22 Capital Works programme, stating that the current outlook was optimistic.

Councillor Williams queried the ability of the capital works programme to be achieved when Butchers Road had been closed for most of the year, indicating that the supply delays could derail the expected delivery of the programme. G Cleary replied that in the case of Butchers Road, specialised equipment was required to repair the culvert which had delayed the project, however the culvert should be repaired by May 2023 which would allow the reopening of the road. G Cleary stated that as there was an alternative route in this case the Council was able to take the time to repair the drain properly with the delay factored in. If there had not been an alternative route the Council would have treated the matter as an emergency and done a short term temporary fix.

Councillor Williams acknowledged the issues such as the impact of covid, weather events and fires which had impacted the delivery of the programme and suggested that when the capital works programme was considered for the year that extra time be factored in to accommodate these factors. G Cleary agreed that this had been done, however it was also not desirable to have staff and contractors under utilised if too much time had been factored in. The programme was assessed and prioritised regularly to ensure the best outcome possible.

Councillor Atkinson complimented the amount and breadth of information included in the report, however he requested that care be taken to make the information clear enough for new members or the public to understand. He also mentioned that if information, such as the Septage facility, was included in the report it should have a corresponding line item in the budget to ensure transparency. Another suggestion was that risk management could be colour coded and prioritised. G Cleary noted the requests.

Councillor Ward enquired if the new water pumps in Otaki Street had performed as expected during the heavy rain on Saturday 19 November 2022. G Cleary replied that the pumps had operated as expected, however the rain was insufficient to really test the effectiveness of the work done.

Councillor Fulton requested clarification on the Ohoka ponds and the resource consent issues. G Cleary acknowledged that this was an ongoing issue which needed to be dealt with and was an unintended consequence of the Regional Plan rules which prohibit the taking of water from the ponds. Environment Canterbury were working with staff to find other options to mitigate the consequences of this rule, which could include the assistance of private property owners. Councillor Fulton enquired if this was a health and safety risk and G Cleary stated that it was not for private land owners in the short term however it could be in the long term if the Council was unable to install stormwater facilities in the future.

Mayor Gordon noted that conversation were being carried out at a regional level to achieve a common pathway and enquired if staff believed that political pressure could assist in obtaining a way forward. G Cleary agreed that political assistance would assist staff towards a desired outcome. Mayor Gordon suggested this matter should be discussed at the upcoming Mayoral forum.

Moved: Councillor Williams

Seconded: Councillor Ward

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 221107194162.
- (b) **Notes** the actual and predicted achievement across all tracked capital expenditure.
- (c) **Notes** that of the \$74.42mill total capital spend, \$28.64mill (38%) had been completed.
- (d) **Notes** that progress towards achieving the 22/23 capital works programme was well advanced across most projects, with the exceptions reported elsewhere.

CARRIED

5.2 Financial Report for the period ended 30 September 2022– **Paul Christensen (Finance Manager)**

P Christensen spoke to the report which advised the Committee on the Council's financial status as at 30 September 2022.

Councillor Atkinson noted that while there were no rate implications for the increased re-evaluation, which had been communicated to the public, there were rate implications to the increase in depreciation. Councillor Atkinson requested that the public receive communication to explain the situation so as to ensure the implications are understood.

Councillor Ward queried if the operating surplus could be utilised to offset the operating costs. J Millward explained that the operating surplus contains amount not related to capital projects. Those amounts relating to capital works would be utilised for capital works by the end of the financial year in relation to the budget.

Moved: Councillor Ward

Seconded: Councillor Goldsworthy

THAT the Audit and Risk Committee:

- (a) **Receives** Report No.221104193121.
- (b) **Notes** the surplus for the period ended 30 September 2022 is \$2.1 million. This was \$3.0 million under budget and reflects both lower operating revenue and operating expenditure over budget from the July flooding event and depreciation. The variations were explained in sections 4.2 & 4.3 of the report.

CARRIED

Councillor Ward acknowledged and thanked staff for the work done and for ensuring that the Council was in a stable financial position.

5.3 Reporting on LGOIMA Requests for the period 1 September to 31 October 2022 – Thea Kunkel (Governance Team Leader)

J Millward spoke to the report which updated the Committee on the requests for information for the period 1 September to 31 October 2022.

Councillor Redmond enquired if the responses to the requests for information were available on the web. J Millward replied that the agenda, which included a list of the request, was available on the web and therefore accessible to the public.

Moved: Councillor Atkinson

Seconded: Mayor Gordon

THAT the Audit and Risk Committee:

- (a) **Receives** Report No. 221107193249 for information.
- (b) **Notes** that the Council responded to 22 official requests of information from 1 September to 31 October 2022, which was five less, than the 27 official requests responded to in the same period in 2021.

CARRIED

Mayor Gordon suggested that management review whether or not uploading the responses to the requests for information, other than as part of the agenda, would be appropriate.

6 PORTFOLIO UPDATES

6.1 Audit, Risk, Long Term Plan and Excellence Programme – Councillor Joan Ward

Challenging work being done on the Annual Plan with inflation increasing concern in the ability to lock in savings in an effort to keep rates low.

Councillor Redmond enquired that with a recession being predicted if that would not assist the Council with Contractor's competing for work. J Millward replied that it could bring a variety of challenges. In the past contractors sometimes would provide a fixed quotation, however with shortages of materials and labour this would still be a constraining factor with that pricing approach.

6.2 Communications and Customer Services – Councillor Joan Ward

Communications

In the April to June report a few of the highlights are:

- Six communication plans, produced 38 news stories and received 78 media inquiries. This is a normal amount of media attention but something we have seen grow over recent year.
- We undertook five engagement projects which were viewed in total by approx. 3,000 residents. Topics covered things like the walking and cycling network plan, gambling policy, Waikuku reserves spatial plan etc.
- Our website traffic has been relatively consistent for this period of the year with 140,000 unique sessions. Search, and our engagement topics on speed limits, were the top searched items. There were 426 required updates to our website.
- Social media wise our Facebook page grew by 814 followers and our content reached 31,498 engaged users and 190,286 users aware. Our content was shared over 2,000 times.
- Graphic design content included the Walking and Cycling network collateral, an internal programme to replace our billing system, the facilities update, photography and the skinning of a community event trailer.

Engagement topics from this period includes:

- The Proposed District Plan opened for further submissions
- We continued detailed engagement with submitters about the Waikuku Beach Spatial Plan
- The development of an Arts Strategy for Waimakariri

Other significant matters include:

- We provided communications support for a number of flooding events as well as the Pegasus Fire
- Water Chlorination and quality have become a large topic of interest
- Communities 4 Local Democracy and the Mayoral Campaign on Three Waters received significant support from the C&E team. Both from a media, public relations and graphic design perspective.
- We supported and promoted the local election results.

Customer Services

- **Rating Valuations** – the objection period for the new rating valuations closed tomorrow (22nd November) so far we have received 195 objections. Last revaluation in 2019 we received 480 in total. Over half of the objections are on residential properties but we have yet to discover whether they are wanting values up or down.
- **Computer System Review** – the staff have been busy working with the project team developing scenarios to assist with demonstrating the systems to be evaluated in the new year.
- **Rates** – the second instalment due date was last Sunday, 20th November with the last date for payment being next Sunday.
- **Training** – the teams made use of a quieter period before this rates instalment was due to catch up with training opportunities. A number of staff have spent some time out with the kerbside collections team and the vehicle crossing auditor. Seeing first hand the work being carried out really grows their understanding and benefits both Council and customer.
- **Christmas** -rosters are being drawn up for staff that will be available for enquiries over the holiday period. We try to limit this so that as many as possible can take a good break. Oxford and Kaiapoi service centres will

be open for the three working days between Christmas and New Year (Rangiora staff take a turn at working in Kaiapoi).

7 QUESTIONS

Nil.

8 URGENT GENERAL BUSINESS

Nil.

NEXT MEETING

The next meeting of the Audit and Risk Committee will be held on Tuesday 21 February 2023 at 9am.

THERE BEING NO FURTHER BUSINESS THE MEETING CONCLUDED AT 10.24am.

CONFIRMED

Chairperson

Date