

Audit, Finance & Risk Committee

14 June 2022

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Minutes of a meeting of the Audit, Finance & Risk Committee held on Tuesday 14 June 2022 via Zoom commencing at 10.00am

Present

Mr Stuart McLauchlan (Chair), Councillor Heath Copland, Councillor Glyn Lewers, Councillor Niamh Shaw, Mr Bill Moran and Mr Roger Wilson (all via Zoom); Mayor Jim Boulton

In Attendance

Mr Mike Theelen (Chief Executive), Mr Stewart Burns (General Manager Finance, Regulatory & Legal), Ms Meaghan Miller (General Manager, Corporate Services), Mr Peter Hansby (General Manager Property & Infrastructure), Ms Michelle Morss (Strategic & Development Manager), Mr Paddy Cribb (Finance Manager), Ms Emily Carter (Financial Accountant), Mr Bill Nicholl (Risk and Resilience Manager), Ms Meghan Pagey (People & Capability Director), Mr Alan Thomas (Health & Safety Manager), Mr Mike Hawken (Deloitte), Mr Brendan Peet (Legal Manager), Ms Katherine Durman (Climate Action Coordinator), Ms Zoe Burton (Senior Legal Counsel), Mr Miles O'Connor (Bancorp), Ms Rebecca Saunders (Wynn Williams) and Ms Jane Robertson (Senior Governance Advisor)

Apologies

There were no apologies.

Declaration of Conflicts of Interest

No declarations of conflict were made.

Public Forum

There were no speakers in the public forum.

Matters Lying on the Table

There were no matters lying on the table.

Confirmation of Agenda

It was agreed that the agenda be confirmed without addition or alteration.

Confirmation of Minutes

On the motion of Mr Wilson and Councillor Lewers the Audit, Finance & Risk Committee resolved that the public

part of the minutes of the meeting held on 3 March 2022 be confirmed as a true and correct record.

1. 2021/22: March YTD Actual to March YTD Budget Financial Overview; March Capital Expenditure Reporting Overview; March Debtors Analysis; March Statement of Financial Position

A report from Paddy Cribb (Finance Manager) presented the 2021/22 March Year to Date (YTD) Actual to Budget financial results, Capital Expenditure financial results, December 21 Debtors Analysis and Statement of Financial Position.

Mr Cribb spoke to items 1 and 2. Members commented on the increased spend in evidence which was indicative of the large number of projects underway.

On the motion of Councillor Lewers and Mr Wilson the Audit, Finance & Risk Committee resolved that the contents of the report be noted.

2. Sensitive Expenditure

A report from Paddy Cribb (Finance Manager) described the various assessments taken over the period 1 January 2022 to 31 March 2022 on sensitive expenditure against delegations and policy. There were reports on the following areas:

- Chief Executive's exercise of delegated powers
- Gift and hospitality register
- Travel register
- Purchase card audit
- New contracts
- Professional services spend
- Employee benefits
- Purchase order audit

Appended to the report were further assessments:

A: Purchase Card Audit Summary

B: Contracts Register

C: Professional Services Spend

Councillor Shaw asked for the sensitive expenditure report to be also presented to full Council because of its interest to the general public. The Chief Executive advised that the report was still available to the public as an Audit, Finance and Risk Committee item and it was not normal practice to duplicate an item if it was within the delegated authority of a committee.

On the motion of Mr MacLauchlan and Councillor Copland the Audit, Finance & Risk Committee resolved that the contents of the report be noted.

Mr Moran joined the meeting at 10.10am.

3. Risk Management Update

A report from Bill Nicoll (Risk and Resilience Manager) and Michelle Morss (Strategy & Development Manager) provided an update on the risk context facing Council, the development of a resilience culture and updates on key organisational risks.

Mr Nicoll presented the report.

There was further comment about project deferrals and the number of staff vacancies, with the resultant effect on programme delivery against the LTP. The Chief Executive advised that there was work occurring on the reallocation of projects and addressing the effects of cost escalations, especially within the Property and Infrastructure team. In addition, the workforce review was nearing completion and would positively impact staff vacancies.

The new Council would adopt the next LTP in 2024 and work on this would commence early in the next triennium, but it was still unclear about the impact of the three waters reform and the continued inclusion of this part of the programme. Notwithstanding this, Mr Burns advised that LGFA funding was secure and bonds remained competitive. If three waters reforms were enacted, the new entities would be able to engage with LGFA and to take on pre-existing debt.

On the motion of Councillor Copland and Mr Moran the Audit, Finance & Risk Committee resolved that the contents of the report be noted.

4. QLDC Organisational Health, Safety and Wellbeing Performance

A report from Alan Thomas (Health & Safety Manager) provided the Committee with an update on the Health & Safety performance of the organisation for the period 1 February 2022 to 30 April 2022.

Ms Pagey presented the report. She noted that staff had worked hard to minimise disruption and the impact on service delivery due to staff sickness with COVID but the organisation was now more ready to work flexibly. In the longer term, the pandemic had introduced a different way of working and HR would do more policy development on supporting people in the virtual working environment.

On the motion of Councillor Lewers and Mr Moran the Audit, Finance & Risk Committee resolved that the contents of the report be noted.

5. Climate Action Plan Update

A report from Katherine Durman (Climate Action Coordinator), Michelle Morss and Meaghan Miller informed the Committee on the Climate Action Plan (CAP) priorities and progress.

Ms Durman presented the report. She confirmed that the Climate and Biodiversity Plan had been finalised following public consultation and the addition of some key changes. There was now more detail and clarity about the connection between climate and biodiversity, with the latter now deemed a strategic priority and not an 'add on'.

On the motion of Mr McLauchlan and Councillor Shaw the Audit, Finance & Risk Committee resolved that the contents of the report be noted.

6. Privacy Update

A report from Naell Crosby-Roe (Governance and Stakeholder Services Manager) presented an end of year update on matters relating to the Privacy Act 2020 and Council's Privacy Policy and practice.

Mr Crosby-Roe presented that report.

Mr Wilson asked if working from home increased the risk of privacy breaches. In response it was noted that all QLDC systems were accessed via secure connections and password protected, but how to access and share information was an ongoing focus for training and communication with staff.

On the motion of Mr McLauchlan and Councillor Copland the Audit, Finance & Risk Committee resolved that the contents of the report be noted.

Resolution to Exclude the Public

On the motion of Mr McLauchlan and Councillor Shaw the Audit, Finance & Risk Committee resolved to exclude the public from the following parts of the proceedings of the meeting:

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(1)(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:

Confirmation of minutes of meeting held on 3 March 2022 (Public Excluded):

Item 7: Treasury Update

Item 8: Legal Update

| General subject to be considered: | Reason for passing this resolution: | Grounds under Section 7: |
|--|---|-----------------------------------|
| 7. Treasury Update | <p><i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</i></p> <ul style="list-style-type: none"> • enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities | S 7(2)(h) |
| 8. Legal Update | <p><i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</i></p> <ul style="list-style-type: none"> • maintain legal professional privilege • enable any local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) | <p>S 7(2)(g)</p> <p>S 7(2)(i)</p> |

Agenda Items:

Item 7: Deloitte Planning Report 2021/22 Audit

Item 8: Treasury Update

Item 9: Legal Update

And that the following persons remain because of their knowledge and expertise of matters in the following agenda items:

Item 7: Mr Mike Hawken (Deloitte)

Item 8: Mr Miles O'Connor (Bancorp)

Item 9: Ms Rebecca Saunders (Wynn Williams)

| General subject to be considered: | Reason for passing this resolution: | Grounds under Section 7: |
|---|--|--------------------------|
| 7. Deloitte Planning Report 2021/22 Audit | That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities | S 7(2)(h) |
| 8. Treasury Update May 2022 | That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities | S 7(2)(h) |

| General subject to be considered: | Reason for passing this resolution: | Grounds under Section 7: |
|-----------------------------------|---|-----------------------------------|
| 9. Legal Update | <p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p>g) maintain legal professional privilege</p> <p>i) enable any local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> | <p>S 7(2)(g)</p> <p>S 7(2)(i)</p> |

This recommendation is 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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

The meeting moved into public excluded at 10.48am.