

**Audit, Finance & Risk Committee
21 December 2017**

Minutes of a meeting of the Audit, Finance & Risk Committee held on Thursday 21 December 2017 in Council Chambers, 10 Gorge Road, Queenstown commencing at 12.40pm.

Present

Councillor McRobie (Chair), Mr McLauchlan and Mr Wilson.

In Attendance

Mr Stewart Burns (General Manager Finance & Regulatory), Ms Michelle Morss (Corporate Manager), Ms Gaynor Webb (Corporate Performance, Planning and Risk), Ms Lyn Zeederberg (Financial Controller), Mr Myles Lind (Asset Planning Manager), Ms Meghan Pagey (Human Resources Manager), Mr Glyn Roberts (Health & Safety Officer), Ms Shelley Dawson (Senior Governance Advisor), Ms Jesse Taylor (Governance Advisor) and one member of the media.

Apologies

A leave of absence was noted for Councillor Hill

Declaration of Conflicts of Interest

Mr McLauchlan commented that that Shotover Jet concession fees were mentioned in *Item 5: Quarterly Financial Overview – September 2017* and declared he had an interest in Shotover Jet

Matters Lying on the Table

There were no matters on the table

Public Forum

There were no speakers in public forum.

The Chair introduced Ms Jesse Taylor to the Committee noting that she would be the new Governance Advisor for the Committee

Confirmation of Agenda

The agenda was confirmed without addition or alteration.

Confirmation of Minutes

**On the motion of Mr McLauchlan and Mr
Wilson it was resolved that the minutes of the**

**Audit, Finance & Risk Committee held on 5
October 2017 be accepted.**

1. Ten Year Plan (Long Term Plan) Project Update

Consideration was given to a report that provided the Committee with an update in relation to QLDC's Ten Year Plan (Long Term Plan) project. Ms Morss and Ms Webb joined the table to speak to this and the following item.

Ms Morss commented that they had passed further information on to the auditors to enable planning for the 15 January 2018 audit. She noted that the organisation had also undertaken a pre-audit self-assessment. The Chair thanked Ms Morss and the team on the huge amount of work undertaken to get to this point. Mr Burns noted that it was a difficult exercise to strike a balance that reflected the need for investment in the district and the financial constraints faced. He commented that the audit and draft plan would be presented at the next Audit, Finance & Risk Committee meeting in February 2018.

**On the motion of Mr McLauchlan and Mr
Wilson it was resolved that the Audit, Finance &
Risk Committee note the report.**

2. Risk Management Update

Consideration was given to a report that provided the Committee with an update in relation to QLDC's risk management process, ethos and on-going approach.

Ms Morss took the item as read and explained that she had hoped to provide a change management programme around risk culture to the Committee. However this had been pushed out to next year as they focused on the software solution, working towards a go live date of 1 July 2018.

**On the motion of Mr Wilson and Mr McLauchlan it
was resolved that the Audit, Finance & Risk
Committee note the contents of this report.**

3. QLDC Organisational Health Safety and Wellbeing Performance

Consideration was given to a report that provided the Audit, Finance & Risk Committee with an update on the Health & Safety performance of the organisation. Ms Pagey and Mr Roberts joined the table to speak to this item.

Ms Pagey highlighted that the organisation had met its target Total Recordable Injury Frequency Rate (TRIFR) for the year which was lower than that noted in the report. She explained that management in this area had been exceptional

and had also resulted in a reduction in the Lost Time Injury Frequency Rate. The Chair and Committee congratulated Ms Pagey and team on a good result.

On the motion of Councillor McRobie and Mr McLauchlan it was resolved that the Audit, Finance & Risk Committee note the contents of this report.

4. Sensitive Expenditure

Consideration was given to a report that described the steps taken to assess sensitive expenditure against delegations and policy, and to report any anomalies, including transactions outside of delegated authority or information indicating theft, fraud or misuse of QLDC property. Ms Zeederberg joined the table to speak to this item.

Ms Zeederberg noted that a review of the financial delegations was under way including a review of the process with HR and IT to ensure changes were made as roles changed in the organisation. Mr McLauchlan suggested that if non-panel members kept recurring in the Infrastructure consultant spend review (paragraph 13 page 36) they should become panel members. There was brief discussion on p-card coding and use and Ms Zeederberg noted there were good controls over card use.

On the motion of Mr Wilson and Mr McLauchlan it was resolved that the Audit, Finance & Risk Committee note the contents of this report.

5. Quarterly Financial Overview – September 2017

Consideration was given to a report that presented the quarterly results and reported on any significant transactions and/or variances to budget. Ms Zeederberg and Mr Cribb joined the table to speak to this item.

Mr Burns noted that this was the first time for Mr Cribb to compile the report. Mr Burns commented that the organisation reported a solid first quarter where expenditure was on track and the main variance was related to revenue. After questions on the Finance Management Report (Attachment A page 43) Mr Burns noted that he expected the net operating deficit to reduce by year end.

There was discussion on the increase in infringements listed in the Debtors Analysis (Attachment C page 47) and it was noted that there were more staff and more patrols which contributed to the increase. There was discussion around the ongoing need for legislation changes that would allow Council to recoup infringements through rental car companies.

On the motion of Mr McLauchlan and Mr Wilson it was resolved that the Audit, Finance & Risk Committee note the contents of this report.

Resolution to Exclude the Public

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

Item 6: Treasury Update: December 2017

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(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:

<i>General subject to be considered.</i>	<i>Reason for passing this resolution.</i>	<i>Grounds under Section 7 for the passing of this resolution.</i>
<i>Item 6: Treasury Update: December 2017</i>	<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: (h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.</i>	<i>Section 7(2)(h)</i>

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 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.

It was noted that there was no longer a need to recommend that Mr O'Connor remain in the meeting as he was not in attendance.

The meeting moved into public excluded at 1.04pm

The meeting moved out of public excluded and concluded at 1.15pm.

The Chair wished the Committee and staff a Merry Christmas and thanked everyone for their work through the year.

Confirmed as a True and Correct Record:

Chairperson

Date
