

**Audit, Finance & Risk Committee
22 February 2018**

Minutes of a meeting of the Audit, Finance & Risk Committee held on Thursday 22 February 2018 in Council Chambers, 10 Gorge Road, Queenstown commencing at 1.15pm.

Present

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

In Attendance

Mr Mike Theelen (CE), Mr Stewart Burns (General Manager Regulatory & Finance), Ms Meaghan Miller (General Manager Corporate Services), Mr Naell Crosby-Roe (Communications and Engagement Manager), Ms Michelle Morss (Corporate Manager), Ms Gaynor Webb (Corporate Performance, Planning and Risk), Mr Paddy Cribb (Financial Advisory Manager), (Ms Lyn Zeederberg (Financial Controller), Alice Balme (Legal Manager), Ms Meghan Pagey (Human Resources Manager), Mr Glyn Roberts (Health & Safety Officer), Mr Brett Tomkins and Mr Anthony Smith (Deloitte) and Ms Shelley Dawson (Senior Governance Advisor).

Apologies

There were no apologies

Declaration of Conflicts of Interest

There were no conflicts noted

Matters Lying on the Table

There were no matters on the table

Public Forum

There were no speakers in public forum.

Confirmation of Agenda

It was unanimously agreed to move *Item 7: 2018-28 Long Tern Plan and Item 5: Legal Update* to be considered earlier in the meeting to allow the Chief Executive to take part as he had to leave the meeting early.

Confirmation of Minutes

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

the Audit, Finance & Risk Committee held on 21 December 2017 be accepted.

1. Quarterly Financial Overview – December 2017

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

Mr Burns and Mr Cribb highlighted that while revenue was higher there was also a large increase in expenditure due to increased staffing costs to deal with increasing workloads around consenting, infringements and development contributions. There was discussion around the increase in consent volume and the increase in consenting costs. It was explained that charges to a consent applicant were fixed under legislation. The higher costs of a contractor processing a consent could not be passed on to the applicant. Mr Burns noted that the workload was reflecting the increase in volumes across the district.

There was discussion around the Debtors Analysis report on page 16 and Mr Burns acknowledged that there had been a rise in the amount of overdue rates. The increase in subdivisions and house sales meant the team were busy loading new properties into the system and were not focussed on debtors. Mr Burns noted that in the next six months there would be more of a focus of resource and priority towards debt collection.

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

2. 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 commented that she had no concerns to highlight. She noted that going forward she would amend the colours of the coding and process issues in the report. There was a brief discussion around Infrastructure consultant spend and it was noted that the Infrastructure team were reviewing the structure and skills required on the panels against the projects in the draft Ten Year Plan.

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

3. 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 joined the table to speak to this report. She noted that as the Ten Year Plan project shifted into the consultation phase there would be an increase in resources required.

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

- Item 7: 2018-2028 Long Term Plan
- Item 5: Legal Update
- Item 6: Treasury Update – February 2018

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:

General subject to be considered	Reason for passing this resolution	Grounds under Section 7 for the passing of this resolution
Item 7: 2018-28 Long Term Plan	<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>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.</p>	Section 7(2)(h)
Item 5: Legal Update	(i) enable any local authority holding information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 7(2)(i)
Item 6: Treasury Update: Feb 2018	(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.	Section 7(2)(h)

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 also resolved that Brett Tomkins and Anthony Smith (Deloitte) be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of Item 7: 2018-28 Long Term Plan. This knowledge, which will be of assistance in relation to this matter to be discussed, is relevant to that matter because Mr Tomkins and Mr Smith represent Council's auditors, Deloitte.

It was also resolved that Miles O'Connor (Bancorp) be permitted to remain at this meeting, after the public has been excluded, because of his knowledge of Item 6: Treasure Update February 2018. This knowledge, which will be of assistance in relation to this matter to be discussed, is relevant to that matter because Mr O'Connor represents Council's independent Treasury advisors, Bancorp.

The meeting moved into public excluded at 1.30pm

4. 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 commented that the new Chair of the Health & Safety Committee was Mr Quinn McIntyre but unfortunately he was unable to attend the meeting. She highlighted that at the end of 2017 the organisation achieved its' Total Recordable Injury Frequency Rate target as well as a low Lost Time Injury Frequency Rate. Ms Pagey noted that there was good culture of safety behaviour across the organisation and they continued to focus on contractor behaviour.

There was discussion around the noted resource pressures in the organisation and how stress was managed. Ms Pagey talked to several initiatives they were running such as yoga, breathing workshops and the ongoing activities by The Family group which was a staff led initiative. The Chair congratulated the team.

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

The meeting concluded at 2.51pm

Confirmed as a True and Correct Record:

Chairperson

Date
