



# Rangitikei District Council

## Audit and Risk Committee Meeting

Minutes – Thursday 27 February 2020 – 9:30 a.m.

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**Present:** Mr Craig O'Connell (Chair)  
Cr Nigel Belsham  
Cr Dave Wilson  
Cr Angus Gordon  
His Worship the Mayor, Andy Watson

**Also in attendance:** Cr Fi Dalgety  
Cr Brian Carter

**In attendance:** Mr Peter Beggs, Chief Executive  
Mr Michael Hodder, Community & Regulatory Services Group Manager  
Mr Chris Webby, Audit New Zealand  
Ms Jo Devine, Group Manager, Finance & Business Support  
Ms Nardia Gower, Strategy and Community Planning Manager  
Ms Bonnie Clayton, Governance Administrator

## 1 Welcome

The Chair welcomed everyone to the meeting at 9.32am.

## 2 Council prayer

The Chair read the Council prayer.

## 3 Public Forum

Nil

## 4 Apologies/Leave of Absence

Nil

## 5 Members' conflict of interest

Members were reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

There were no conflicts declared.

## 6 Confirmation of order of business

There were no changes to the order of business.

## 7 Confirmation of minutes

<b>Resolved minute number</b>	<b>20/ARK/001</b>	<b>File Ref</b>	<b>3-CT-17-2</b>
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That the Minutes of the Audit/Risk Committee meeting held on 5 December 2019 without amendment be taken as read and verified as an accurate and correct record of the meeting.

Cr Belsham/Cr Gordon. Carried

## 8 Chair's report

There was no Chair's report for this meeting.

## 9 Strategic risks

The report was taken as read. The Committee noted that this had been discussed in full with Councillors who have a good understanding of it.

Mr Beggs briefed the Committee that the Executive Management team are to develop a Strategy Plan on Coronavirus.

Committee members provided feedback, noting a focus on staff and Council to Mr Beggs to take back to the Executive Management team.

## **10 Work programme matrix – update**

The Committee discussed the Work programme matrix, identifying that water supply and Putorino landfill may need to be included.

The Committee requested the Work Programme matrix be an agenda item in the next meeting for further review.

**Resolved minute number**                      **20/ARK/002**                      **File Ref**

That the tabled 'Work programme matrix – update' to the 27 February 2020 Audit/Risk Committee be received.

Cr Gordon/Cr Wilson. Carried

**Resolved minute number**                      **20/ARK/003**                      **File Ref**

That, noting the issues on the West Coast, the Audit/Risk Committee advises it is concerned around the work planning and consenting timelines for remediation of the exposed Putorino landfill and requests Council to urgently take this concern to Horizons Regional Council and/or the Minister for the Environment regarding our environmental risk and reputation.

His Worship the Mayor/Cr Belsham. Carried

## **11 Risks in developing the 2021-31 Long Term Plan**

The commentary was noted in the agenda.

## **12 Internal Audit programme – progress update**

The commentary in the agenda was noted.

## **13 Report to Council on the Audit of Rangitikei District Council, 2018/19**

Mr Chris Webby spoke to the report. The key issue was the valuation of infrastructure assets. Given the cost of this work, the Committee thought a sector-wide approach warranted consideration, perhaps led by the Society of Local Government Managers. The change in asset life had a flow-on effect to depreciation. The Committee was interested in exploring the ability

to defer depreciation on new assets (e.g. to defer beginning depreciation until year 5 of the asset's life) while debt from borrowing to fund the asset was being paid back.

The Committee requested that the Audit of Rangitikei District Council be an agenda item in the next meeting to allow members time to review the audit.

Mr Webby indicated the local government sector manager at the Office of the Auditor General was interested in talking to councils.

**Resolved minute number**                      **20/ARK/004**                      **File Ref**                      **5-EX-2-4**

That the report to Council on the Audit of Rangitikei District Council, 2018/19 to the 27 February 2020 Audit/Risk Committee be received and be further considered at the Audit/Risk June meeting.

Cr Gordon/Cr Belsham. Carried

## **14 Late items**

None

## **15 Future items for the agenda**

Insurance

Payroll system review

Work Programme matrix – update – next meeting

Audit of Rangitikei District Council- next meeting

Regulatory practice – this will be a greater area of focus for the Auditor-General

Auditor General's report on local government– include freshwater

Health and Safety implications on private assets / club assets on our parks

## **16 Next meeting**

Thursday 28 May 2020, 9.00am

## **17 Meeting closed**

11.01am

**Confirmed/Chair:** \_\_\_\_\_

Date: