



# Rangitikei District Council

## Audit and Risk Committee Meeting

Agenda – Thursday 20 August 2020 – 9:00 am

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The quorum for the Audit and Risk Committee is 3.

Council's Standing Orders (adopted 31 October 2019) 11.2 provide: The quorum for Council committees and sub-committees is as for Council, i.e. half the number of members if the number of members (including vacancies) is even or a majority if the number of members is odd.

## **1 Welcome**

## **2 Council prayer**

## **3 Apologies/Leave of Absence**

## **4 Extraordinary meeting**

This extraordinary meeting is called to consider the Government's three waters reform programme and to advise Council on whether to sign the Memorandum of Understanding

## **5 Confirmation of minutes**

The Minutes of the Audit/Risk Committee meeting held on 31 July 2020 are attached.

File ref: 3-CT-17-2

### **Recommendation:**

That the Minutes of the Audit/Risk Committee meeting held on 31 July 2020 [as amended/without amendment] be taken as read and verified as an accurate and correct record of the meeting.

## **6 Memorandum of Understanding – Three Waters Reform**

In July 2020, the Government announced a \$761 million funding package to provide post COVID-19 stimulus to maintain, improve three waters infrastructure, support a three-year programme of reform of local government water service delivery arrangements (reform programme), and support the establishment of Taumata Arowai, the new Waters Services Regulator.

A Joint Central/Local Government Three Waters Steering Committee has been established to provide oversight and guidance to support progress towards reform, and to assist in engaging with local government, iwi/Māori, and other water sector stakeholders on options and proposals.

The reform programme is designed to support economic recovery, and address persistent systemic issues facing the three waters sector, through a combination of:

- a) stimulating investment, to assist economic recovery through job creation, and maintain investment in water infrastructure renewals and maintenance; and
- b) reforming current water service delivery, into larger scale providers, to realise significant economic, public health, environmental, and other benefits over the medium to long term.

Initial funding from the stimulus package will be made available to those councils that agree to participate in the first stage of the reform programme, through a Memorandum of Understanding (MoU), Funding Agreement, and approved Delivery Plan. The MoU must be

signed by the end of August 2020, with the Funding Agreement and Delivery Plan submitted and approved by the end of September 2020.

At its meeting on 30 July 2020, by resolution 20/RDC/255, Council delegated to the Audit/Risk Committee authority to commit (or not) Council to signing the Memorandum of Understanding for the first stage of the Government's Three Waters Services Reform.

Council has called an additional meeting of Te Rōpu Ahi Kā (Council's standing Iwi Advisory Committee) to consider the matter. This acknowledges the critical partnership which Council has with Iwi. The outcome of that meeting will be reported to the Audit/Risk Committee meeting.

The Summary Proposal (provided to the last meeting), Simpson Grierson legal advice and the Memorandum of Understanding are attached. Also attached is 'Three Waters Reform Programme – Guide to stimulus funding for local authorities' which sets out what happens if the Memorandum of Understanding is signed.

**Recommendation:**

1. That documentation on the Government's three waters reform programme, including the Memorandum of Understanding, to the 31 July 2020 Audit/Risk Committee be received.
2. That, in terms of the delegation made by Council at its meeting on 30 July 2020 (20/RDC/255), the Audit/Risk Committee resolves that His Worship the Mayor and the Chief Executive

EITHER sign the Memorandum of Understanding, on behalf of the Rangitikei District Council, for the first stage of the Government's Three Waters Services Reform

OR do not sign the Memorandum of Understanding, on behalf of the Rangitikei District Council, for the first stage of the Government's Three Waters Services Reform.

## **7 Next meeting**

Thursday 24 September 2020, 9.00am

## **8 Meeting closed**