



Rangitikei District Council

Audit and Risk Committee Meeting

Minutes – Thursday 24 September 2020 – 9:00 am

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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 Waru Panapa

In attendance: Mr Peter Beggs, Chief Executive
Mr Chris Webby, Audit New Zealand – *via zoom*
Mr Dave Tombs, Group Manager, Finance & Business Support
Mrs Carol Gordon, Group Manager Democracy & Planning
Gaylene Prince, Group Manager Community Services
Ms Kat McDonald, Accountant
Mr Graeme Pointon, Strategic Property Advisor
Ms Bonnie Clayton, Governance Administrator

1 Welcome

The Chair opened the meeting at 9.04am.

2 Council Prayer

Mr O'Connell read the Council Prayer.

3 Public Forum

Nil.

4 Apologies/Leave of Absence

That the apology for lateness of Cr Gordon and His Worship the Mayor, Andy Watson be received.

5 Members' Conflict of Interest

There were no conflicts of interest declared.

6 Confirmation of Order of Business

The order of business was confirmed with no changes.

7 Confirmation of Minutes

Resolved minute number	20/ARK/016	File Ref	3-CT-17-2
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That the Minutes of the Audit/Risk Committee meeting held on 20 August 2020 without amendment be taken as read and verified as an accurate and correct record of the meeting.

Cr Belsham/Cr Wilson. Carried

8 Chair's Report

There was no update to provide.

9 Update from the Sector Manager at the Office of the Auditor-General

Ms Amanda Gray, the Sector Manager at the Office of the Auditor-General took her paper as read and provided the following highlights of the work happening within the Audit sector:

- Recovery from Covid-19 is high on the list for some Councils, though not all.

- Looking into Conflicts of Interest
- Investment into Infrastructure
- Risk management (how Audit can manage and support Councils)
- Long Term Plan continues to be a key focus
- Review on Procurement

The Committee acknowledged that Conflicts of Interest and Perceived Conflicts can be a grey area for Elected Members. Ms Gray advised there are resources available on Conflicts of Interest, which she will pass on to the committee and can provide additional guidance if required.

The Committee discussed the Procurement review, with suggestions of Council having a Procurement Policy and have it reviewed by Audit. Mr Tombs noted that it is about risk management and where the risk lies.

Mr O'Connell expressed that the delivery of the Long Term Plan will be challenging and that the need to be conscious of staff / peoples mental health with large workloads.

Cr Gordon arrived to the meeting at 9.11am.
His Worship the Mayor arrived to the meeting at 9.33am.

Undertaking	Subject
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Ms Gray to seek further information and circulate the paper on the Procurement review.	
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Undertaking	Subject
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Staff to provide a report on Risk Management on Procurement.	
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Resolved minute number	20/ARK/017	File Ref	3-EX-2-5
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That the briefing memo from the Sector Manager at the Office of the Auditor General to the 24 September 2020 meeting of the Audit/Risk Committee meeting be received.			
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Cr Belsham/Cr Wilson. Carried

10 Work Programme Matrix – Update

Mr Hodder took the Work programme as read.

Cr Wilson expressed there is a large amount work for staff included in the matrix, noting the newly employed Project Managers will be able to assist with the load, however did query whether Council was under resourced.

Mr Webby advised he has spoken to other Councils about the risk of the market being flooded with contracts, which will push prices up and the shortage of workers.

In response to a question, Mr Beggs confirmed that Rangitikei District Council do have a Pandemic Plan and will present this to a subsequent meeting.

Resolved minute number **20/ARK/018** **File Ref** **3-CT-17-5**

That the 'Work programme matrix – update' to the 24 September 2020 Audit/Risk Committee be received.

Cr Gordon/His Worship the Mayor. Carried

Undertaking **Subject**

Mr Beggs to present the Councils Pandemic Plan to a subsequent Audit/Risk Committee meeting.

Undertaking **Subject**

Mr Tombs to follow up on the road reserve fund that was being put aside annually to go towards maintenance costs on roads (which is no longer being funded by NZTA) in the instance of a major event. The report is to include clarification on whether the original concept is still valid, whether it is affordable and what the rules are.

11 Strategic Risks – Updated Framework

The current Strategic risks statement is attached. Changes are in italics in sections 9 and 10.

The Committee agreed a thorough review of sections 3, 8 and 9 are required.

Undertaking **Subject**

That further review on sections 3, 8 and 9 of the Strategic risks framework be required and any amendments be discussed in full at a subsequent Audit/Risk Committee meeting.

Resolved minute number **20/ARK/019** **File Ref** **3-CT-17-5**

That the 'Strategic risks – updated framework' to the 24 September 2020 Audit/Risk Committee be received.

Cr Wilson/Cr Gordon. Carried

12 Health & Safety Implications of Private Assets /Club Assets on Council Parks

Mr Pointon took the report as read, and noted the following key point that Council do hold a register of private/club assets on Council parks, with only one building on the list currently where the lessee has surrendered its lease. He noted it is a potential risk that a lessee

abandons their lease, however the Health and Safety at Work Act 2015 clearly states that no party can lease the asset out.

Resolved minute number **20/ARK/020** **File Ref** **6-RF-1-1**

That the report 'Health & Safety Implications of private assets/Club assets on Council parks' to the 24 September 2020 meeting of the Audit/Risk Committee be received.

Cr Wilson/Cr Belsham. Carried

13 Late Items

Nil.

14 Future items for the Agenda

Risk Management – Procurement

Insurance

Payroll system review (as a topic for Internal Audit)

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

15 Next Meeting

Thursday 26 November 2020, 9.00am

16 Meeting Closed

Mr O'Connell thanked Mr Hodder for his enormous work with the Committee, which he always delivered with good grace.

The meeting closed at 10.33am.

Confirmed/Chair: _____

Date: _____