

MINUTES

Audit and Risk Committee

F22/55/05 – D23/21284

Date: Tuesday 16 May 2023 at 2.00pm
Venue: Council Chambers, 63 Miranda Street, Stratford

Present

Mr P Jones (the Chair), the District Mayor N C Volzke, the Deputy Mayor M McKay, Councillors: G W Boyde, J M S Erwood and V R Jones

In attendance

Councillors: S J Beck, E E Hall

The Chief Executive – Mr Sven Hanne, the Director – Corporate Services – Mrs T Radich, the Acting Director – Community Services – Mr C Julie, the Director Assets – Mrs V Araba, the Director Environmental Services – Mr B Sutherland, the Committee Advisor and Executive Assistant – Mrs E Bishop, the Health & Safety/Civil Defence Advisor – Mr M Bestall (*part meeting*), the Corporate Accountant – Mrs C Craig (*part meeting*), the Project Manager – Mr S Taylor, the Building Control Manager – Mr J Scrivens (*part meeting*), the Property Officer – Mrs S Flight (*part meeting*), and one member of the media (Stratford Press).

1. Welcome

The opening karakia was read.

The Chair welcomed the District Mayor, Councillors, staff and the media to the meeting.

The Chair reiterated the health and safety message and emergency procedures.

2. Apologies

There were no apologies.

3. Announcements

There were no announcements.

4. Declarations of Members Interest

The Chair requested councillors to declare any real or perceived conflicts of interest relating to items on this agenda.

There were no declarations of interest relating to items on this agenda.

5. Attendance Schedule

The attendance schedule for Audit and Risk Committee meetings was attached.

6. Programme of Works

D21/42807 Page 11

Recommendation

THAT the Audit and Risk Committee's rolling programme of works up to the end of 2023 be received.

VOLZKE/BOYDE
Carried
A&R/23/11

The Director – Corporate Services noted the following points:

- The Civil Defence Readiness report will be brought to the committee in July as officers are awaiting further information.
- The Critical Assets nearing the end of their life report will also be brought in July due to further information being sought.
- A workshop will be scheduled for the committee in July to discuss council's risk maturity.

Questions/Points of Clarification:

- The Chairman noted that the upcoming Long Term Plan was a major project for council which will also have significant risk in terms of the delivery of the document due to the huge uncertainty around the water reforms and the availability of audit to complete their process. He requested a report be added to the programme of works for July to highlight the key risks and risk mitigation.

7. Confirmation of Minutes

7.1 Audit and Risk Committee – 14 March 2023

D23/9922 Page 12

Recommendation

THAT the minutes of the Audit and Risk Meeting of Council held on Tuesday 14 March 2023 be confirmed as a true and accurate record.

ERWOOD/V JONES
Carried
A&R/23/12

8. Matters Outstanding

D18/27474 Page 18

Recommendation

THAT the matters outstanding be received.

P JONES/McKAY
Carried
A&R/23/13

The Chief Executive noted the following points:

- The Health and Safety Manual has now been fully reviewed with final changes having been made. This action is now complete.
- The Treasury Policy will be discussed in a workshop in September.

Recommendation

THAT the report be received.

ERWOOD/BOYDE
Carried
A&R/23/14

Questions/Points of Clarification:

- Councillor Boyde questioned how the incident numbers compared to similar sized councils? The Health & Safety Advisor noted the figures had reduced and were very similar to previous quarters with the majority of incidents occurring at the pool. He noted the seriousness of events was not concerning. The Chairman noted he saw similar numbers at other councils where there is a pool facility. It was requested that the pool figures be separated out in the table for clarity.
- Councillor Boyde noted his concern regarding the aggressive behaviour from customers towards staff and asked what actions were being looked at? Mr Bestall noted that this type of behaviour was increasing. Staff have been trained, and will receive further training, in de-escalation as well as looking at the placement of the AA counter to ensure safe exits. The testing with the emergency button resulted in no issues and he is confident it will work in an emergency situation. He had also requested that the Chief Executive discuss a potential regional message from the councils to say this behaviour will not be tolerated. Officers are also reviewing if the Library and Visitor Information Centre should be opening on a Saturday, however it was noted this behaviour is not happening on a Saturday.
- Councillor Boyde requested that it be considered to include councillors in the de-escalation training as there is a genuine frustration with ratepayers who can turn very abusive at the moment. Mr Bestall would discuss this with the Chief Executive.
- It was noted the number of trained civil defence members on staff had risen to 58. There has been a really good uptake and managers are releasing their staff for training. The foundation course last month was held in Stratford and there is already a good number interested in the intermediate course scheduled in Stratford for July. Mr Hanne noted that the Central Taranaki Safe Trust volunteers are also trained in Civil Defence so can increase that number further if required. These volunteers have been used previously in the welfare space which has freed up council officers to deal with operational requirements.

Recommendations

1. THAT the report be received.
2. THAT Internal Audit Plan 2022/23 be approved.

McKAY/ERWOOD
Carried
A&R/23/15

Recommended Reason

The Audit and Risk Committee is tasked with reviewing and monitoring the internal audit activities of Council on behalf of elected members.

Questions/Points of Clarification:

- It was clarified the risks are chosen by looking through the full risk register and seeing what is topical at the moment and what hasn't been reviewed in the past few cycles.
- The Chairman asked how unconscious bias is handled with staff performing the audit? The Corporate Accountant noted that the audit team begins with a team of 10 people who are told what it is about,

what is expected of them and the rules being not to make assumptions, keeping an open mind and looking at what is happening. Both Mrs Craig and Mrs Radich are available for questions and guidance through the process. There is a form which guides the staff through the process and what they are looking for, these forms are then reviewed. A final review is presented to the Senior Leadership Team to provide any further feedback and then the final audit results are presented to this committee.

- The Chairman asked if using internal resources poses a risk for the organisation when asking staff to do another task on top of their ordinary schedule? The Chief Executive noted this did not reach a high level of risk. Officers try to allocate tasks where there is availability to fit this in, if a staff member was fundamentally unable to perform these duties then either Mrs Craig or Mrs Radich could take over. It is important to give enough warning and enough guidance to complete the task. He noted that there was a reduction of workload at the moment for some departments.
- Councillor Hall questioned if *risk 31 aggressive customer behaviour* had been considered due to how topical this was at the moment? It was clarified that this had been audited recently. Councillor Boyde questioned if this risk was still fit for purpose given the change in the climate, particularly around massive rate increases throughout the country.
- The Chairman noted that it was important that the Health and Safety Advisor ensure staff understand the process for an aggressive customer. Councillor Erwood noted that this would be beneficial for councillors to be given this guidance as well, especially if they are in the building when an incident occurs. The Chairman agreed it was important that everyone knows the protocols so a situation is not further exacerbated.

11. Decision Report – Risk Appetite for Earthquake-prone buildings

D23/7802 Page 31

Recommendations

1. THAT the report be received;

BOYDE/ERWOOD
Carried
A&R/23/16

2. ~~THAT the Committee recommends Option 1,2,3 or 4 for the Wall Memorial Centre;~~

3. ~~THAT the Committee recommends Option 1,2,3 or 4 for the TET Stadium;~~

4. ~~THAT the Committee recommends Option 1,2 or 3 for the Clock Tower; and~~

5. ~~THAT the Committee recommends Option 1,2,3 or 4 for the TSB Pool Building.~~

Recommended Reason

For the Committee to understand the risk associated with the earthquake-prone buildings and make the necessary decision that will minimise Council's exposure to the risk of injury or death from partial or total collapse of these buildings.

The Chief Executive noted the following points:

- The resolutions in this report will be changed as the facility is discussed due to the current resolution jumping ahead to a conclusion.
- The general public will be receiving the same information for their buildings shortly.
- The report notes that there is up to 25 years that council could chose to do nothing, however as a public organisation he felt it was important that officers get a clear steer from elected members on what their appetite for risk was and what the subsequent actions were required to allow council to make a decision in the future. He suggested that the recommendations be amended to request the additional information required to enable a decision to be made in the future and to incorporate this information into the Long Term Plan.

The Director – Assets noted that Section 4.1.7 and 4.2.1 should both have a 25 year timeframe.

The Building Control Manager joined the table to answer technical questions relating to the Earthquake Prone ratings.

Questions/Points of Clarification:

- Mr Scrivens noted that the Earthquake Prone Building amendment act came into force in 2017 as a simplified version to define priority buildings. Priority buildings are required post disaster such as schools, hospitals, police stations and civil defence buildings. There was also a requirement to classify buildings to allow a thoroughfare for emergency services for which an assessment was completed and found that as there are a couple of arterial routes to allow emergency services through the township there was no mandate to look at the centre of town as priority buildings. Last year buildings were assessed and found that the Civil Defence building required assessment, the St John's building was up to current standard and that central government were doing a lot of the schools and education facilities themselves. He noted that legislatively the minimum requirement was to demolish or strengthen.
- Mr Scrivens clarified that there were different zones for New Zealand being High, Medium and Low Risk which determines the timeframes for work to be completed. Taranaki is in the medium risk zone which means priority buildings have 12.5 years and non priority buildings have 25 years to complete work. High risk zones have just over 6.5 years for priority buildings and non priority buildings have 12.5 years. Low risk zones everything is non priority and has 25 years.
- It was clarified that 34% level is earthquake prone and 67% takes into account consideration for risk and other implications. These ratings can affect insurance and mortgages. Everything is set by the Ministry of Business Innovation and Employment (MBIE) who has very strict guidelines. The initial seismic assessments and detailed assessments have to be provided in accordance with the MBIE guidelines to ensure they meet their requirements. It was clarified getting a second person to look at a rating may provide small variations but not enough to change the grade.
- Councillor Boyde noted that the Civil Defence building in New Plymouth had assessed its biggest risk as an eruption had had to install extra layers on the roof for ash protection, he asked if every building should have this? Mr Scrivens noted he could not answer this without further information. Councillor Boyde questioned how much weight should be put on the mountain being the biggest risk in this area.
- It was noted the table on page 35, section 4.10 provided a risk rating for buildings including life-safety risk. This is from MBIE and experts that assess everything for risk.
- Mr Hanne noted that a building that did not meet earthquake standards could not be used following an earthquake, the building might still be standing but officers would not be able to make sure it is safe to operate out of it until a professional engineer had assessed it.

Civil Defence clarification

- Mr Hanne noted that the war memorial centre needed to be looked at with a civil defence lense, and without. Engineers who have assessed this building have said not to bother trying to retrofit this to civil defence standards as it will be too complicated. For this discussion the committee needs to consider the War Memorial Centre for day to day use.
- It was clarified that all the information required following these discussions will form part of the Long Term Plan discussions.
- Mr Hanne noted that there are two facilities in close proximity to each other that lend themselves as a Civil Defence Space. He noted he had not had to activate either yet. He had discussed using the TET Multi Sports Stadium as a welfare space with the restaurant owners when the last big storm was approaching. This is a perfect welfare centre space because there is food, changing rooms, showers and space for camp beds. The EOC space is where the controller sits and all the decisions and logistics are provided around an event. This is currently the Function Facility at the War Memorial Centre which has been set up for Civil Defence purposes with screens, projectors and IT equipment in the room ready to go. Separating the two functions is the ideal scenario, however it could be run from the same building if required.
- It was clarified there wasn't a specific legislative requirement that a territorial authority have an operational building to use to respond to a civil defence emergency but that it would be hard to meet council's civil defence responsibilities without one. The District Mayor noted that the control centre in Auckland is in central Auckland, therefore he felt that there were people further away from this in Auckland than Stratford was to New Plymouth.
- It was agreed to discuss the civil defence elements as a separate discussion.
- It was clarified that the administration building did not fall into the requirements of the legislation to be assessed, however the administration building would be required to allow the political body to function at the same time as a civil defence operation was underway.

War Memorial Centre

- The District Mayor noted his support for Option 3. The War Memorial Centre is the primary hall in the district and is used for sporting events, social gatherings and meetings of all sorts. It is large enough to accommodate a crowd size appropriate for the area but also remains functional for small groups. He thought it should be kept in use and if it requires strengthening then so be it. He would like to see it taken to a level 3 minimum standard to provide a place to meet the needs of the community. He noted he would be interested in seeing the costs to get it up to 67% to provide a comparison.
- Mr Hanne clarified that the recommendation will be to investigate an option further to provide additional information to council.
- The District Mayor noted consideration would need to be given to a timeline for all the buildings identified. The Chairman noted the decision today was to identify a preferred option but that work could be re-prioritised dependent on costs and affordability.
- Councillor Boyde supported the District Mayors points and noted that information is required before a decision can be made on how that pans out in the future.

Recommendations

2. THAT the Committee recommends to investigate the cost to upgrade the War Memorial Centre to a minimum of 34% with further information to be provided on the costs to achieve the higher level.

VOLZKE/BOYDE
Carried
A&R/23/17

- It was clarified that there was no government funding available for this work.
- Councillor Erwood requested that a condition assessment be done at the same time to ensure internal items such as showers are not needing to be done. It was confirmed that the building will be looked at as a whole

TET Stadium

- Councillor Boyde supported the same investigation as the War Memorial Centre be undertaken.
- The Deputy Mayor noted that with the Civil Defence aspect the committee needed to consider taking it to a higher level.
- The Chairman noted the recommendation requested the cost implications for a minimum of 34% but it could include taking it to a IL4 (100%) level.
- The District Mayor noted he saw the TET Stadium in a different light as its primary use is a sporting venue which did not have the same volume of use the War Memorial Centre has. If a recommendation was to upgrade it to 100% earthquake standards then council was saying that is the preferred option for Civil Defence. He noted he would like to see the Stratford High School stadium investigated as a possible Civil Defence centre as this has not been discussed as an option before. He supported the recommendation being the same as the War Memorial Centre and separate consideration for Civil Defence.

Recommendations

3. THAT the Committee recommends to investigate the cost to upgrade the TET Stadium to a minimum of 34% with further information to be provided on the costs to achieve the higher level.

BOYDE/VOLZKE
Carried
A&R/23/18

Clocktower

- It was clarified that if there is a substantial earthquake that activates the EOC then that would be the point an engineer would have to assess if a building could be re-entered. Mr Scrivens noted that the Christchurch aftershocks had done so much damage because of the substantial impact on the integrity of the buildings.
- Councillor Boyde noted he partly supported Option2, however the option of moving the clocktower should be considered. If it was to be pulled down it could just be moved to a different location.
- It was clarified that this building had had an initial assessment rather than a detailed one.
- The District Mayor noted information was needed to know what is wrong and then how much it will cost to fix it to the minimum standard of 34% and felt Option 2 best reflected that.
- Mr Scrivens clarified that this was currently rated as it is due to people having to access it for occasional maintenance and upgrades, however he would look into what was required to have it identified as a monument as there are exemptions around monuments. He noted he did not think it would qualify though due to its height.

The Health and Safety/Civil Defence Advisor left the meeting at 3.26pm.

- Mrs Araba noted that since this report was received all tours of the clocktower have stopped and will not commence again until officers are sure it is safe to do so.

Recommendations

4. THAT the Committee recommends officers complete a detailed seismic assessment to identify all potential cost implications.

BOYDE/McKAY
Carried
A&R/23/19

- Mrs Araba confirmed that a DSA (detailed seismic assessment) would include a full investigation.

TSB Pool Building

- Councillor Boyde noted his support for Option 2 (demolish the building and reinstate the land to ground level).
- Councillor Erwood noted his support for Option 3 (strengthen the building to above minimum threshold being 34%). He felt sports such as rugby, cricket, hockey, tennis and bowls could be using this facility and asked if they had been approached to be involved as they could undertake fundraising for the building instead of just knocking it down. This could be a multi-sports indoor facility and needed more investigation. Mrs Araba clarified at a DSA would cost at least \$30,000 to be undertaken.
- The District Mayor noted his support for Option 1 (do nothing). The building is currently not posing a great risk to anyone as it is not used. He suggested that canvassing the community with regard to this building could be done before the Long Term Plan process. If there was the need for potential use then Option 3 had merit, however if there was no desire for use then option 2 has merit. Until the community feedback is sought then there is not enough information to make an informed decision. He noted he was opposed to strengthening it to 67%.
- The Deputy Mayor noted that consultation would be required with enough time to take that into consideration when setting budgets in the Long Term Plan.
- It was clarified that this building was a standing item in the Policy and Services Committee's matters outstanding in order to ensure it remains on the radar. However receiving this report starts this discussion.
- It was clarified that the land the old pool is on cannot be sold as it is on reserve land and Mr Hanne noted he would fundamentally caution against selling the above ground asset. He noted, at a minimum, the front part of the building will require demolition or replacement.
- The District Mayor noted that the TET Stadium is a multi-sports facility and that it would cost a lot of money to convert the TSB Pool complex.
- Mr Scrivens noted that a change in the use of the facility could trigger different requirements in terms of the Earthquake Prone regulations and this would need to be considered if it was to be converted for a different use. The specific requirements could not be obtained until the exact use was known.

- Councillor Boyde acknowledged the Chief Executive's comments on the state of the front of the building and the cost of obtaining a report. He noted the district was blessed with sporting facilities and felt spending more on this building was a bad idea when the building is stuffed.
- Mr Hanne noted the condition assessment had been completed as part of the decision making process for the new pool complex.
- The Deputy Mayor noted she would like to see the comparison of demolition costs versus assessment costs.
- The District Mayor noted the bit missing for him was the potential other usage. He reiterated that he felt the community needed to be asked, or the elected members needed to come up with a use for it. He noted that council had not asked the community if council should develop the facilities there and he felt that if the building was made available for use then it would be on the sporting codes to develop it. The Chairman noted this would be shifting the risk to another organisation.
- The Chairman noted that an estimation of demolition costs was needed and then other potential practical options for alternative use with high level costings to develop them.
- Councillor Beck noted that the building is not fit for purpose and needed to be demolished. If it could have been strengthened then why wasn't this done instead of the new pool.

Recommendations

5. THAT the Committee recommends officers provide further information on the costs to demolish the TSB Pool Complex building including options to reinstate the land back to ground level.

McKAY/BOYDE
Division
For 5
Against 1
A&R/23/20

A division was called.

Those voting for the motion: the Chairman – Mr P Jones, Councillors: Boyde and Jones, the Deputy Mayor and the District Mayor.

Those voting against the motion: Councillor Erwood

- The Chairman clarified it was for council to decide on options for alternative uses and not this committee.

Civil Defence

- Mr Hanne suggested a sixth resolution be added to articulate the future provision of Civil Defence facilities. This could be to obtain costs for bringing both buildings up to 100% IL4 to meet the requirements and could be paired with investigations on other potential buildings available in the district that could provide a similar function. He did not think a facility outside of the district would be acceptable to the community.
- The Chairman asked if the same conditions apply to an operations centre and if an EOC could be managed if it was outside of the district as there may be suitable locations just outside of the borders? Mr Hanne noted the EOC could be left at TEMO with welfare being provided locally, however if impact was localised or there were many events happening in the region then it would need to be brought to a local level. If council could not provide that then it would be depriving its community.
- The District Mayor supported looking at the two facilities that clearly lend themselves to being Civil Defence locations being the TET Stadium and War Memorial Centre. This should look to either of those being upgraded to the necessary standards as a welfare centre and consideration given to either of them being brought up to the standards of a control centre. He noted that possible alternatives needed to be looked into as well.
- It was clarified that both New Plymouth and South Taranaki had centres throughout their districts to be able to respond locally.

Recommendations

6. THAT the assessment on the War Memorial Centre and TET Stadium be upgraded to consider meeting IL4 level (100%).
7. THAT a report should be presented to council of alternative existing, or new, facilities that might lend themselves to being used in a Civil Defence emergency and include the practicalities of their use.

VOLZKE/P JONES
Carried
A&R/23/21

The meeting was adjourned at 4.07pm.

The Corporate Accountant and Property Officer left the meeting at 4.07pm.

The meeting reconvened at 4.15pm.

12. Information Report – Capital Works Programme – Key Projects Update – April 2023

D23/18610 Page 43

Recommendation

THAT the report be received.

ERWOOD/V JONES
Carried
A&R/23/22

Recommended Reason

To present an update on the progress of our key capital projects in the 2022/23 financial year.

Questions/Points of Clarification:

- Councillor Erwood congratulated officers on the work down at Victoria Park but noted how disappointing it was that the project was not finished. This is impacting the rugby club in terms of bar takings, sponsorship and older people not being able to watch the games as there is nowhere to sit.
- Councillor Hall asked how often contractors provide progress reports to allow early identification if a project is going south? The Project Manager noted that this was a short contract that was supposed to be over a period of three weeks followed by time for the grass to grow. He noted the Parks and Reserves Officer had been talking to the contractors daily and confirming they were on target and had been assured that they would until the 12 April when they said it would not be available to play on.
- It was clarified that the budget for the Civic Amenities of \$554,000 was over a ten year period.
- It was clarified that the exercise equipment for Victoria Park had been removed but as it was still in the original Long Term Plan it remained on the list, however no work was being undertaken on this.
- Mr Taylor clarified that the entranceway work at Kopuatama Cemetery was due to start work in the next week or so and there would be no conflict between this work and the work being undertaken on the bridge realignment as all the entranceway improvements were being undertaken inside the gates and not on road reserve. This also meant the new road layout did not impact the design at all.
- It was clarified that an overall group had been formed to discuss the town centre projects which included the Mayor and Chief Executive. The next step is to identify where the Stratford 2035 projects sit and then subcommittees will be formed.
- Mr Taylor noted that a key risk that had become apparent was the low number of tenders that are being presented for projects. Seven suppliers were invited to tender for the cemetery upgrade and only one was received back. He noted that these tenders have still met the requirements of the procurement policy as the number invited is above what is required.
- The District Mayor suggested that there might be enough local builders that have the capabilities to do these jobs and questioned if council's pre-qualification process needed a review to allow these smaller firms to have a go at tenders? Mr Taylor noted that the fencing tender for the waste water

ponds had been sent to every local fencer identified in the region. This tender closes next week so it will be interesting to see the numbers received.

13. Information Report – Audit Matters Outstanding

D23/18928 Page 65

Recommendation

THAT the report be received.

P JONES/BOYDE

Carried

A&R/23/23

Recommended Reason

This report informs the Committee of the issues identified in the final Deloitte Audit Management Report for the 2021/22 Annual Report and, summarising the actions that have or intend to be taken by Council officers to respond to audit recommendations with respect to each issue raised.

Questions/Points of Clarification:

- It was requested that the sensitive expenditure policy have a line in it that says where practical a GST invoice is obtained. Mrs Radich noted this policy was currently under review and this could be included.

14. Information Report – Risk Management

D23/19261 Page 58

Recommendation

THAT the report be received.

BOYDE/P JONES

Carried

A&R/23/24

Recommended Reason

To provide an update to the Audit and Risk Committee of any significant risks and any incidents or threats in relation to significant risks on Council's risk register from the previous quarter.

The Director – Corporate Services noted the following points:

- This report suggests a review of the Top 10 risk register and asks for feedback. The suggested changes were:
 - Removal of Risk 47 – Attracting and Retaining Staff and Risk 64 – Infectious Disease Outbreak/Pandemic.
 - Addition of two of the following:
 - Risk 9 – LTP/Annual Plan due to the water reforms and auditor availability
 - Risk 28 – Interest Costs – due to the costs associated with much higher debt
 - Risk 74 Inadequate financial provision to fund asset replacement – due to underfunding depreciation in the 2023/24 Annual Plan
 - Risk 37 – Staff under stress – due to the possibility of this impacting delivery of service
 - Risk 76 – Heavy/Extreme Rainfall incidents – this could be covered under extreme weather events.

Questions/Points of Clarification:

- Councillor Boyde questioned if the District Plan should be included in the Long Term Plan/Annual Plan risk or have its own risk on the register? Mr Hanne noted that council was currently able to start a District Plan process and it is budgeted for. Alternatively officers are in conversations with MFE and leading specialists on regional plan work and discussing if Taranaki could become an early adopter of embarking on a regional plan. As council is in the position of embarking on the District Plan process it would not fit in the same risk category as the suggested Long Term Plan/ Annual Plan risk. Councillor

Boyde questioned the risk that the plan was way out of touch with undesirable activity occurring because they are permitted within the current plan as well as the impact of legislative changes.

- The District Mayor noted the number one risk was the potential for change in government policy which has been shown with the three waters changes and noted this could still change further after the central government elections in October. He suggested the inclusion of Risk 9 – Long Term Plan/Annual Plan, Risk 28 – Interest Costs and Risk 74 – Inadequate financial provision to fund asset replacement. Councillor Erwood supported these additions making it a Top 11 risk register.
- It was clarified that there are portions of an asset that may have different depreciation rates but for the pool complex the overall level of depreciation funding was set at 55%. Mr Hanne clarified that different elements of an asset have different life spans such as plant equipment that may last five years or a roof that may last 30 years.
- It was clarified that Risk 32, Lone Worker, the raw risk score was calculated on the impact and the likelihood. This could be extreme in terms of impact but it is less for the likelihood of it occurring.

15. Correspondence

15.1	Capitalising of Staff Time <i>Page 76</i>
15.2	Annual Audit Cost and administration <i>Page 79</i>
15.3	Asset Revaluation <i>Page 83</i>

The Director – Corporate Services noted the following points:

- There is still no update on the audit costs for the next financial year but it will be significantly higher.
- The dates for the annual interim audit have been set for June and will focus on internal controls. The interim audit for the Annual Report is booked for August.
- There has been no formal letter of engagement received yet.

16. General Business

There was no general business.

17. Questions

There were no questions.

18. Closing karakia

D21/40748 Page 86

The closing karakia was read.

The meeting closed at 4.48pm.

P Jones
Chairman

Confirmed this 18^h day of July 2023.

N C Volzke
District Mayor