

MINUTES

Audit and Risk Committee

F22/55/06 – D2453107

Date: Tuesday 19 November 2024 at 2pm
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, A M C Dudley, E E Hall, A K Harris, C M Tongaawhikau and W J Sandford.

The Chief Executive – Mr S Hanne, the Acting Director – Corporate Services – Mrs C Craig, the Director – Environmental Services – Mr B Sutherland, the Acting Director – Community Services – Mrs E Bishop, the Acting Committee Advisor and Executive Assistant – Mrs Carissa Reynolds the Project Manager – Mr S Taylor, the Audit and Risk Advisor – Mrs T Radich, the Communications Manager – Ms G Gibson, 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

An apology was noted from Councillor M J Watt.

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 conflicts of interest declared.

5. Attendance Schedule

Attendance schedule for Audit and Risk Committee meetings was attached.



6. Programme of Works

D21/42807

Page 10

Recommendation

THAT the Audit and Risk Committee's rolling programme of works up to September 2025 be received.

P JONES/ERWOOD

Carried

A&R/24/44

The Audit and Risk Advisor noted:

- The internal Audit for 2024 has been cancelled due to internal resources. It is expected to resume in 2025. It was clarified that this is a self-imposed requirement to conduct an internal audit.
- The Chair requested that the water delivery options covered during the workshop should be highlighted in the March Audit and Risk meeting. Mr Hanne agreed this would be beneficial.

7. Confirmation of Minutes

7.1 Audit and Risk Committee – 17 September 2024
D24/44750 Page 12

Recommendation

THAT the minutes of the Audit and Risk Committee Meeting held on Tuesday 17 September 2024 be confirmed as a true and accurate record.

BOYDE/P JONES

Carried

A&R/24/45

8. Matters Outstanding

D18/27474

Page 38

Recommendation

THAT the matters outstanding be received.

P JONES/McKAY

Carried

A&R/24/46

Recommendation

THAT the report be received.

McKAY/BOYDE

Carried

A&R/24/47

The Chief Executive noted the following:

- Incidents have been lower than normal this quarter.

Questions/Points of Clarification:

- Councillor Boyde noted at the previous meeting he mentioned the lone worker devices, is there a safety protocol in place, as it was reported not a lot of people are using the devices. Mr Hanne advised the devices are still available, however they are not the only tool available to staff. Staff make informed decisions depending on where they are going to whether to use them or not. He advised both neighbouring Councils are working through similar reviews on Lone Worker solutions now, so it would be prudent to wait for their decisions.
- The Chair noted site health and safety audits are on hold and questioned if it is possible for the project/asset manager to do this. Mr Hanne advised this is already happening, however this is not reported through to the Audit and Risk Committee but can be done in the future.

10. Information Report – Risk Management

D24/51841

Page 43

Recommendation

THAT the report be received.

Recommended Reason

To provide an update to the Audit and Risk Committee of any risk events or threats in relation to significant risks on Council's risk register, as part of Council's risk management processes.

ERWOOD/P JONES

Carried

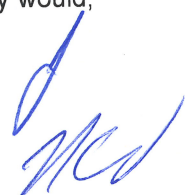
A&R/24/48

The Audit and Risk Advisor noted the following:

- This report covers some risks which are actively managed but not covered by the risk register.

Questions/Points of Clarification:

- Councillor Hall questioned how security measures at the old pool are funded. It was advised comes out of the day to day operational budget.
- Councillor Boyde noted his concern of the work that the Chief Executive is doing over and above his current role. He questioned if it is a risk for Council if he is 'getting down in the weeds' rather than managing at a high level, and he is also concerned about the burn out of Elected Members only staff member. Mr Hanne advised it is normal for him to have operational parts to his day, but noted he is currently doing more than he normally would, however it is normal for people to take on more tasks when there are vacancies.



11. Information Report – Capital Works Programme – Key Projects Update

D24/50322 Page 48

Recommendation

THAT the report be received.

Recommended Reason

To provide an update on the progress of our main capital projects for the 2024/25 financial year and assess Council's ability to complete them on time and within budget.

BOYDE/V JONES
Carried
A&R/24/49

The Projects Manager noted the following:

- The incorrect appendix was attached to the report, the correct attachment was tabled.

Questions/Points of Clarification:

- The Chair advised one thing missing from 4.2 is significant public interest.

12. Information Report – Policies Status – Annual Review

D24/50982 Page 59

Recommendation

THAT the report be received.

Recommended Reason

This report provides an update to the Committee on the review status for all external-facing Council policies.

McKAY/ERWOOD
Carried
A&R/24/50

The Chief Executive noted the following:

- There are still overdue policies but the number of these have been reduced. The introduction of a new part time role will address this issue by managing the current policies, new policies and managing legislative changes.

Questions/Points of Clarification:

- The Chair questioned if the Procurement Policy will come through this committee. It was noted there was an Audit and Risk workshop on the policy and the plan was to take it to the Policy and Services Committee for feedback. Mr Hanne advised it was currently on hold until the Director – Corporate Services started. The Chair advised his recommendation would be to have the risks identified in the policy listed and advised how they have been addressed.



Recommendation

THAT the report be received.

THAT the Committee review the performance results presented in the draft Annual Report 2023/24, and consider the potential for risks within the information presented.

Recommended Reason


The Audit and Risk Committee is responsible for providing oversight of compliance with statutory responsibilities relating to financial requirements and to exercise due diligence in the accuracy of financial information and reporting.

McKAY/BOYDE

Carried

A&R/24/51

Questions/Points of Clarification:

- The Chair questioned if there are any outstanding issues with the auditors. The Acting Director – Corporate Services advised any queries from the auditors have been addressed as they come in.
 - The Mayor noted on page 78 of the agenda it mentions Ngā Kaiwhakatere o Taranaki, however he does not believe this should be included as this group has not worked together in the last 12 months.
 - The Chair questioned how difficult the revaluations have been compared to previous revaluations. Mr Hanne noted the valuation was fairly straightforward, and the roading valuation went through auditors well, however the waters revelation has had a few questions from auditors where Council has had to be in the middle of the auditors and the valuers. It was discussed that while the auditors questioned the valuations, if they had the same local knowledge as the valuers.
 - Councillor Harris questioned if Council had similar issues with Audit NZ. Mrs Craig advised there are always issues with auditors, however this is on a new level. Councillor Harris noted this all adds up to hours on the auditors books, Mr Hanne noted the bill from the valuer will also be higher because of this.
 - The Chair advised when revaluations are not done fair value assessments need to be used, he noted some auditors are questioning these as if they are revaluations and a conversation is required with the Office of the Auditor General as to what risk is trying to be managed here. He advised he and some of his colleagues are meeting in Wellington and this will be on the agenda.
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14. Information Report – Three Waters Reforms – State of Play and current developments

D24/48561 Page 215

Recommendation

THAT the report be received.

Recommended Reason

This report is for information purposes only but gives elected members insight into the current state of three waters including current and future legislative changes as well as regional discussions regarding potential shared delivery models.

McKAY/ERWOOD

Carried

A&R/24/52

The Chief Executive noted the following:

- While this subject has been discussed, this report is taking a risk approach to the subject matter.
- The risks in item five are outside of the corporate risk register.

Questions/Points of Clarification:

- The District Mayor requested to stop referring to this as Three Waters, it is Local Water Done well, by referring to it as Three Waters old arguments are going to be conjured up. Mr Hanne noted he will take that into account, however in the industry the services are called three waters.
- The Chair requested now that the template has been created it would be nice for the risks to come back to the next meeting and to ascertain if they have increased or decreased and if there are new risks.

15. Decision Report – Review Risk Management Policy

D24/51083 Page 222

Recommendation

1. THAT the report be received.
2. THAT the amended Risk Management Policy be reviewed and approved.

Recommended Reason

The Policy is due for review, and was last reviewed in August 2021.


BOYDE/McKAY

Carried

A&R/24/52

Questions/Points of Clarification:

- The Chair questioned when this policy is going to be reviewed. The Audit and Risk Advisor advised it is due for review in 2027, however it can be called for a review at any time. The Chair noted a review is probably needed post-election and post-election some key things may need to be looked at also.
- Councillor Boyde noted on page 227 Insurance Management has been removed, he questioned if anything would be put in its place. The Audit and Risk Advisor noted this responsibility has been moved to the Senior Leadership Team.



16. Correspondence

There was no correspondence.

17. General Business

There was no general business

18. Questions

There were no questions.

19. Closing karakia

The closing Karakia was read.

The Meeting closed at 3.10pm.



P. Jones
Chairman

Confirmed this 18th day of March 2025.



N C Volzke
District Mayor