

## **Audit, Finance & Risk Committee 5 October 2017**

Minutes of a meeting of the Audit, Finance & Committee held on Thursday 5 October 2017 in Council Chambers, 10 Gorge Road, Queenstown commencing at 10.00am.

### **Present**

Councillor McRobie (Chair), Councillor Hill, Mr McLauchlan and Mr Wilson.

### **In Attendance**

Mr Stewart Burns (General Manager Finance & Regulatory), Ms Michelle Morss (Corporate Manager), Ms Gaynor Webb (Corporate Performance, Planning and Risk), Ms Lyn Zeederberg (Financial Controller), Ms Meghan Pagey (Human Resources Manager), Mr Glyn Roberts (Health & Safety Officer), Mr Brett Tomkins and Mr Anthony Smith (Deloitte), Mr Miles O'Connor (Bancorp) and Ms Shelley Dawson (Senior Governance Advisor).

### **Apologies**

There were no apologies.

### **Declaration of Conflicts of Interest**

There were no conflicts noted.

### **Matters Lying on the Table**

There were no matters on the table

### **Public Forum**

There were no speakers in public forum.

### **Confirmation of Agenda**

The agenda was confirmed without addition or alteration.

### **Confirmation of Minutes**

**On the motion of Mr McLauchlan and Mr Wilson it was resolved that the minutes of the Audit, Finance & Risk Committee held on 8 June 2017 be accepted.**

## **1. Capital Work In Progress 2017**

Consideration was given to a report that provided the Audit, Finance & Risk Committee with a breakdown of proposed Capital Work In Progress (Capital WIP) as at 30 June 2017. The report noted that a comprehensive review of all Capital WIP items had been undertaken as part of the 2017 year end process. Mr Burns talked to this item.

Mr Burns commented that there was now an improved process around capitalisation. He noted that there had been a large reduction from 2016 to 2017 which reflected the completion of two large projects that were capitalised during 2016/17.

**On the motion of Councillor McRobie and Mr Wilson it was resolved that the Audit, Finance & Risk Committee note the report.**

## **2. Sensitive Expenditure**

Consideration was given to a report that described the steps taken to assess sensitive expenditure against delegations and policy, and to report any anomalies, including transactions outside of delegated authority or information indicating theft, fraud or misuse of QLDC property. Ms Zeederberg joined the table to speak to this item.

Ms Zeederberg commented that there was nothing significant to report in terms of anomalies from her audit. She explained that she was conducting individual training with all new p-card holders and was reviewing all p-card transactions for each month. Ms Zeederberg noted that she was continuing training to reduce the number of coding corrections.

**On the motion of Mr McLauchlan and Councillor Hill it was resolved that the Audit, Finance & Risk Committee note the contents of this report.**

## **3. Risk Management Update**

Consideration was given to a report that provided the Committee with an update in relation to QLDC's risk management process, ethos and on-going approach. Ms Morss and Ms Webb joined the table to speak to this and the next item. Ms Morss commented that the report walked the Committee through the planned change to the risk frameworks and register as well as outlining the next steps.

**On the motion of Councillor Hill and Mr McLauchlan it was resolved that the Audit, Finance & Risk Committee note the contents of this report.**

#### **4. Ten Year Plan (Long Term Plan) Project Update**

Consideration was given to a report that provided the Committee with an update in relation to QLDC's Ten Year Plan (Long Term Plan) project. Ms Morss highlighted the large amount of work that had been done to date including work on KPI's across departments as well as pre-consultation with community associations and groups.

The Chair commented that he had received positive comments from the community in regards to the pre-consultation and congratulated the team for their work. Ms Morss noted that the information collated would be given to the association and elected members that attended each session and then the full feedback would be circulated to all Councillors.

**On the motion of Councillor Hill and Mr McLauchlan it was resolved that the Audit, Finance & Risk Committee note the contents of this report.**

#### **5. QLDC Organisational Health Safety and Wellbeing Performance**

Consideration was given to a report that provided the Audit, Finance & Risk Committee with an update on the Health & Safety performance of the organisation. Mr Burns talked to the item while Ms Pagey and Mr Roberts joined the meeting.

There was discussion around the use of vehicles, the process around recording of speeding and the requirement to register the use of personal vehicles (referred to as the grey fleet by QLDC). Ms Pagey highlighted the reduction of the Total Recordable Injury Frequency Rate below the set target and the reduction in the Lost Time Injury Frequency Rate. She commented that ACC was phasing out their current standards and QLDC would be undertaking its first audit under the new standards in November 2017.

**On the motion of Mr Wilson and Mr McLauchlan it was resolved that the Audit, Finance & Risk Committee note the contents of this report.**

#### **Resolution to Exclude the Public**

**On the motion of Mr Wilson and Councillor Hill the Audit, Finance & Risk Committee resolved to exclude the public from the following parts of the proceedings of the meeting:**

Item 6: Audit of Annual Report for 2016/17

Item 7: Treasury Update: October 2017

The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution is as follows:

<b>General subject to be considered.</b>	<b>Reason for passing this resolution.</b>	<b>Grounds under Section 7 for the passing of this resolution.</b>
Item 6: Audit of Annual Report for 2016/17	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p>	Section 7(2)(h)
Item 7: Treasury Update: October 2017	<p>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to:</p> <p>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.</p>	Section 7(2)(h)

This resolution was made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

It was also resolved that Mr Brett Tomkins and Mr Anthony Smith (Deloitte) be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of Item 6: Audit of Annual Report for 2016/17. This knowledge, which will be of assistance in relation to the matter to be discussed,

is relevant to that matter because Mr Tomkins and Mr Smith represent Council's auditors, Deloitte.

It was also resolved that Mr Miles O'Connor (Bancorp) be permitted to remain at this meeting, after the public has been excluded, because of his knowledge of Item 7: Treasury Update October 2017. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because Mr O'Connor represents Council's independent Treasury advisors, Bancorp.

*The meeting moved into public excluded at 10.19am*

*The meeting moved out of public excluded and concluded at 11.22am.*

**Confirmed as a True and Correct Record:**

**Chairperson**

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**Date**

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