

Audit Risk and Finance Committee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Wednesday 29 May 2024, commencing at 9.30am

Tuhinga/Present:

Councillor John Blackwell
Councillor Joe Carr
Councillor Jack Craw (Chair for the meeting)
Chairperson, Councillor Peter-Lucas Jones (online)
Independent Tangata Whenua Member, George Riley (online)
Independent Tangata Whenua Member, Dee-Ann Wolferstan
Independent Risk Advisor, Steve Watene

I Tae Mai/In Attendance:

Full Meeting

Tumuai – Chief Executive, Jonathan Gibbard
Pou Taumatua - GM Corporate Services, Bruce Howse
Personal Assistant to GM Corporate Services, Gill Coleman

Part Meeting

Councillor Geoff Crawford (Ex-Officio)
Independent Consultant Jonathan Eriksen (online)
Councillor Rick Stolwerk (online)
Deloitte, Bennie Greyling and Alif Barolia (online)
Pou Whakaritenga – GM Regulatory Services, Colin Dall
Pou tiaki Hapori - GM Community Resilience, Louisa Gritt
Finance Manager, Simon Crabb
Property Manager, Phil Heatley
Information Services and Technology Manager, Carol Cottam
Audit and Assurance Lead, Mandy Tepania
Organisational Projects Specialist, Chris McColl
Climate Action and Natural Hazards Manager, Natalie Child

The Chair declared the meeting open at 9.30am and commenced proceedings with a Karakia.

Ngā Mahi Whakapai/Housekeeping (Item 1.0)

Ngā whakapahā/Apologies (Item 2.0)

Moved (Carr/Crawford)

That the apology from Cllr Crawford to leave the meeting early be received.

Carried

Nga whakapuakanga/Declarations of Conflicts of Interest (Item 3.0)

It was advised that members should make declarations item-by-item as the meeting progressed.

Confirmation of Minutes - 28 February 2024 (Item 4.1)

Report from Gill Coleman, Personal Assistant Corporate Excellence

Moved (Carr/Blackwell)

That the minutes of the Audit Risk and Finance Committee meeting held on 28 February 2024 be confirmed as a true and correct record and that these be duly authenticated with the Chair's electronic signature.

Carried

Receipt of Action Sheet (Item 5.1)

Report from Gill Coleman, Personal Assistant Corporate Excellence

Moved (Blackwell/Crawford)

That the Action Sheet be received.

Carried

Secretarial Note: Dee-Ann Wolferstan requested the "Date Completed" column in the Action Sheet be amended to "Estimated Date of Completion". Staff to adjust the Action Sheet.

2023-24 Annual Report: Timetable and Deloitte Planning Report (Item 6.1)

Report from Simon Crabb, Finance Manager

Moved (Blackwell/Carr)

That the report '2023-24 Annual Report: Timetable and Deloitte Planning Report' by Simon Crabb, Finance Manager and dated 8 May 2024, be received.

Carried

Secretarial Notes:

- *Bennie Greyling, Partner, Deloitte's spoke to the report and advised the Office of the Auditor General gives them areas to focus on, i.e. climate change, and any relevant impact on valuations.*
- *Dee-Ann Wolferstan queried the rationale behind Deloitte's fees increase. Deloitte's advised that the professional services wage CPI drives that.*
- *GM Corporate Services confirmed he has met with Laura Cannon from the Office of the Auditor General around billing transparency. GM Corporate Services to follow-up on this.*
- *Cllr Blackwell queried the fee increase for the Kaipara Moana Remediation work. Bennie advised the Ministry wants Deloitte's to do more i.e. it is a "scope of work" increase.*

Internal Audit Schedule (Item 6.2)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Blackwell/Carr)

That the report 'Internal Audit Schedule' by Mandy Tepania, Audit and Assurance Lead and dated 7 May 2024, be received.

Carried

Secretarial Note: The Committee received the Internal Audit Schedule, thanked, and congratulated staff on a very comprehensive report.

Risk Management Activity Update (Item 6.3)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Craw/Carr)

That the report 'Risk Management Activity Update' by Mandy Tepania, Audit and Assurance Lead and dated 7 May 2024, be received.

Carried

Secretarial Notes:

- *The Committee requested a Deep Dive into the operational risk around Treaty Settlements. This risk to be added to the Deep Dive Schedule.*
- *The Committee requested more detail around the description of the risk. Mandy Tepania to action.*

Risk Deep Dive Report - Economic Downturn (Item 6.4)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Crawford/Blackwell)

That the report 'Risk Deep Dive Report - Economic Downturn' by Mandy Tepania, Audit and Assurance Lead and dated 7 May 2024, be received.

Carried

Fraud, Corruption and Dishonesty Activity Update (Item 6.5)

Report from Mandy Tepania, Audit and Assurance Lead

Moved (Blackwell/Crawford)

That the report 'Fraud, Corruption and Dishonesty Activity Update' by Mandy Tepania, Audit and Assurance Lead and dated 7 May 2024, be received.

Carried

Health and Safety Report for January to March 2024 quarter (Item 6.6)

Report from Tamsin Sutherland, Health and Safety Advisor

Moved (Carr/Crawford)

That the report 'Health and Safety Report for January to March 2024 quarter' by Tamsin Sutherland, Health and Safety Specialist and dated 16 May 2024, be received.

Carried

Regulatory Services Quarterly Report (Item 6.7)

Report from Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services

Moved (Crawford/Craw)

1. That the report 'Regulatory Services Quarterly Report' by Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services and dated 14 May 2024, be received.

Carried

Secretarial Notes:

- *Cllr Jones queried what is our Measurement Framework. GM Community Resilience advised a Dashboard and KPIs are being developed to monitor that; and take back to the Joint Climate Change Action Committee in November.*
- *Dee-Ann Wolferstan abstained and excluded themselves from the voting due to a Conflict of Interest.*

Review of Current RMA Compliance Monitoring and Enforcement 'Policies' and Procedures (Item 6.8)

Report from Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services

Moved (Crawford/Blackwell)

That the report 'Review of Current RMA Compliance Monitoring and Enforcement 'Policies' and Procedures' by Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services and dated 16 May 2024, be received.

Carried

Secretarial Notes:

- *The Committee requested prior knowledge of any potential court proceedings within their constituencies. GM Regulatory Services to provide that in future reporting.*

Procedure for Appointing RMA Hearing Commissioners (Item 6.9)

Report from Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services

Secretarial Note: Please note the Recommendation 2.ii was amended with approval of the Mover and Seconder; and Recommendation 3. was proposed and approved by the Committee.

Moved (Crawford/Blackwell)

1. That the report 'Procedure for Appointing RMA Hearing Commissioners' by Colin Dall, Pou Whakaritenga - Group Manager Regulatory Services and dated 13 May 2024, be received.

Carried

Moved (Carr/Blackwell)

2. That the Committee recommends to council that it:
 - i. Approves an initial list of RMA hearing commissioners and any subsequent applications by commissioners to be added to the list that delegated staff then use to arrange and appoint commissioners for consent hearings.
 - ii. Retains approval to appoint commissioners (informed by staff recommendations) to hear and make recommendations on non-freshwater plan changes.
 - iii. Retains its power to make nominations to the Chief Freshwater Commissioner for appointment to the freshwater hearings panel for the council's freshwater plan/plan changes.
3. That staff bring further advice to the Committee to inform the development of a guidance framework of skills and attributes to be considered when appointing hearing commissioners.

Carried

Financial Report to April 2024 (Item 6.10)

Report from Taka Skipwith, Financial Accountant

Moved (Carr/Craw)

That the report 'Financial Report to April 2024' by Taka Skipwith, Financial Accountant and dated 21 May 2024, be received.

Carried

Performance of Councils Externally Managed Funds - to 30 April 2024 (Item 6.11)

Report from Simon Crabb, Finance Manager

Moved (Craw/Blackwell)

That the report 'Performance of Councils Externally Managed Funds - to 30 April 2024' by Simon Crabb, Finance Manager and dated 15 May 2024, be received.

Carried

Kotuku Solar Project (Item 6.12)

Report from Natalie Child, Zero Carbon Transition Advisor

Moved (Carr)

1. That the report 'Kotuku Solar Project' by Natalie Child, Zero Carbon Transition Advisor and dated 10 May 2024, be received.

2. That the Committee support management going out for RFP to obtain a cost estimate for full design and construction of the Kotuku Dam solar array project with a view to then progressing to the detailed design phase and tendering.

Carried

Secretarial Notes:

- *A further findings report will be brought back to a Council Workshop.*
- *Dee-Ann Wolferstan abstained and excluded themselves from the voting due to a Conflict of Interest.*

Kaupapa ā Roto/Business with Public Excluded (Item 7.0)

Moved (Blackwell/Carr)

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reasons/Grounds
7.1	Confirmation of Confidential Minutes - 28 February 2024	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii).
7.2	Receipt of Confidential Action Sheet	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(a).
7.3	Report on Litigation and Enforcement Jan - March 2024	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(a).
7.4	Update on Council's Current Redevelopments and Other Property Matters	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(b)(ii), the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h) and the withholding of which is necessary to enable council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i).

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3. That the Independent Advisors be permitted to stay during business with the public excluded.

Whakamutunga (Conclusion)

The Chair closed the meeting at 12.30pm with a Karakia from Cllr Jones.

UNCONFIRMED