

Waitaki District Council

Finance, Audit and Risk Committee

**CONFIRMED MINUTES of a meeting of the
Finance, Audit and Risk Committee of the Waitaki District Council
held in the Council Chamber, Waitaki District Council Headquarters,
20 Thames Street, Oamaru
on Tuesday 12 June 2018 at 9.00am**

- Present:** Cr Colin Wollstein (Chair), Cr Craig Dawson (Deputy Chair), Cr Peter Garvan, Cr Jim Hopkins, Cr Jan Wheeler; Mayor Gary Kircher
- In Attendance:** Deputy Mayor Melanie Tavendale
Cr Jeremy Holding
Cr Bill Kingan
Cr Guy Percival
Fergus Power (Chief Executive)
Neil Jorgensen (Assets Group Manager / Deputy Chief Executive)
Paul Hope (Finance and Corporate Development Group Manager)
Bill Chou (Information Systems Group Manager)
Lichelle Guyan (Heritage, Environment and Regulatory Group Manager)
Ian Wells (Accounting Manager)
Richard Maher (Programme Manager)
Suzanne Butler (Information Systems Team Leader)
Tracey Marshall (Information Services Team Leader)
Ainslee Hooper (Governance Advisor)
Kate Grant (Executive Assistant)

The Chair declared the meeting open at 9.01am, and welcomed everyone present.

1. **Apologies**

There were no apologies.

2. **Declarations of Interest**

There were no declarations of interest.

3. **Confirmation of Minutes**

RESOLVED

FAR 2018/039

Cr Craig Dawson / Cr Jim Hopkins

That the Finance, Audit and Risk Committee confirms public minutes of its previous meeting held on 15 May 2018, as circulated, as a true and correct record, with one minor amendment:

Page 7 – to finish with “as and when required”.

CARRIED

4. **Council Controlled Organisations – Draft Statements of Intent 2018-29**

The report, as circulated, sought comment on the Statements of Intent (SOI) for Council Controlled Organisations (CCOs) for the 2018-28 year.

Many Councillors, including some who were not members of the Finance, Audit and Risk Committee, put forward individual ideas around their expectations of what could be changed or requested to be changed in the various Statements of Intent, based on the copies circulated with the agenda report.

One consensus point was that the resolution should exclude any reference to “formal” and simply note that they were “comments” for passing back to CCOs for consideration.

Mayor Gary Kircher noted that, whilst ideas had been put forward by Councillors, there had been no agreement by the Committee about what was to be passed back to the CCOs by officers. Instead, he suggested that Committee members agree or disagree on each of the points that had been made. This suggestion was AGREED.

Committee members then AGREED the following comments, for Group Manager Paul Hope to pass on to CCOs for their consideration.

Omarama Airfield Limited

- Under 2.3 – to broaden the objectives to consider all flying activities, with gliding to be a primary activity but also to include reference to recreational flying too.
- A director may attend the half-year report presentation to Council
- Comment about openness to and exploration of new opportunities (eg opportunities for OAL that may arise from the Christchurch-based International Aviation Academy of New Zealand establishing operations at the Oamaru Airport)

Tourism Waitaki

- Recognise in some way Council's increased presence in the economic development function
- Emphasise collection of data
- Delete references to “events” in the objectives section
- There is a missing “no” under 4.1 (a), second paragraph, before the phrase “cost-effective internal control systems:
- Remove the detailed references to i-site locations; not required

Waitaki District Health Services Limited

- Under 2.2, there needs to be further explanation about what the inclusion of [the undefined] “medical” means
- Under 2.2, add “men’s health”
- Under 2.5, bulletpoint 4, some clarity is required

Whitestone Contracting Limited

- Add a new objective – to actively pursue innovation and technology
- Add a reference to potentially using government incentives to grow its business
- Revise the bulletpoints so that the starting words of each flow on from the opening cover statement

RESOLVED

FAR 2018/040

Cr Jim Hopkins / Cr Craig Dawson

That the Finance Audit and Risk Committee:

1. provides agreed comments (as recorded above) on the Statements of Intent as presented; and
2. instructs officers to pass the agreed comments provided under 1 above to the relevant Board prior to receiving the final documents.

CARRIED

5. Monthly Financial Report – 2018, Period 10 – April 2018

The report, as circulated, reviewed results for the ten months to 30 April 2018.

Group Manager Paul Hope clarified that Accounting Manager Ian Wells had initiated a revised format for the report, especially on pages 36 and 37, which he hoped was easier to reference and more informative. In response, the Chair thanked Mr Wells for his efforts, and commended him on the very clear commentary that the report now provided.

The following points were clarified and/or highlighted during discussion on the report:

- The \$2.7m planned expenditure on the RSA Building would be discussed when the carry forward report is presented in July / August. At that time, Council could decide to carry it forward, park it for now with the option of resurrection in the future if/when legislation enabled that, or keep it going in the meantime.
- There is a project to do remedial work on the breakwater, but an exact timing for the work had not yet been determined.
- It was suggested that some readers of the report may be confused by the fact that some items have a negative variance (eg property) and yet the commentary states that none is “unfavourable”. Mr Hope acknowledged this feedback, and advised that better wording would be used in future reports to ensure the commentary was clear to all.
ACTION POINT: Accounting Manager
- It was noted that some variances were showing as unfavourable (eg regulatory service) as a result of Council being in a transition phase between the former and new organisational structures. The budgets still reflected the former structure, and the actuals reflected the new one which was implemented in December 2017. The new financial year and associated new budget for it would correct this issue. In the meantime, everything was showing with the relevant organisational group, but there were different categories.

RESOLVED
FAR 2018/041

Cr Jim Hopkins / Cr Jan Wheeler
That the Finance, Audit and Risk Committee receives and notes the information.

CARRIED

6. Information Services Group Activity Report for the period 1 May to 31 May 2018

The memorandum, as circulated, provided an update to the Finance, Audit and Risk Committee on Information Services Group activities during the reporting period.

The following points were clarified / highlighted during discussion on the report:

- Staff have been busy with project work and as a consequence, there has been less time available for some operational matters. This is a resourcing issue.
- Staffing – the Information Services unit was currently recruiting for two vacancies which have been unfilled for some time. A third potential role is on hold, and remains subject to funding.
- A decision has been made to not proceed with the latest Authority 7.1 upgrade due to some unsuitable changes it would have created. However, staff are considering upgrading to v6.11 as an interim step.
- Work has begun on addressing information security.
- There were indirect opportunity costs associated with the delay in the parcel data cleaning work whilst staff are waiting on the supplier.

RESOLVED
FAR 2018/042

Cr Craig Dawson / Cr Jim Hopkins
That the Finance, Audit and Risk Committee receives and notes the information.

CARRIED

7. Finance and Corporate Development Group Activity Report for the period 1 May to 31 May 2018

The memorandum, as circulated, provided an update to the Finance, Audit and Risk Committee on various finance, business development, policy, and health and safety matters during the reporting period.

RESOLVED
FAR 2018/043

Cr Jim Hopkins / Cr Craig Dawson
That the Finance, Audit and Risk Committee receives and notes the information.

CARRIED

The Chair advised his intention to move the meeting into public excluded.
The media representative left the meeting.

8. Resolution to Exclude the Public

RESOLVED
FAR 2018/044

Cr Jim Hopkins / Mayor Gary Kircher
That the public be excluded from the following part of the proceedings of this meeting, namely:

- Confirmation of Public Excluded Meeting Minutes 15 May 2018
- Tourism Waitaki Contract Extension PE
- Rates Collection Update PE

The general subject of each matter to be considered while the public is excluded; the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter – Section 48(1)
Public Excluded: 9. Confirmation of Public Excluded Meeting Minutes 15 May 2018 PE 10. Tourism Waitaki Contract Extension PE 11. Rates Collection Update PE	To protect the privacy of natural persons. Section 48(1)(a) (The disclosure of the information would cause unnecessary personal embarrassment to the persons concerned.) To enable the Council to carry out commercial negotiations without prejudice or disadvantage. Section 48(1)(a) (Premature disclosure of the information would detrimentally affect the Council's position in the negotiations.)

These resolutions are made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of the 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 holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item.”

CARRIED

Refer to Public Excluded Minutes

Resolution to Return to the Public Meeting

RESOLVED
FAR 2018/051

Cr Jim Hopkins / Cr Craig Dawson
That the Finance, Audit and Risk Committee resumes in open meeting and decisions made in the public excluded session are confirmed and made public as and when required.

CARRIED

11. Release of Public Excluded Information

In accordance with Waitaki District Council Standing Orders 2016 to 2019, Clause 17.5, and pursuant to Resolution FAR 2018/011 of this meeting, the Committee APPROVED the release of previously public excluded information as set out below because there is no longer a need for continued protection under section 48(1) of the Local Government Official Information and Meetings Act 1987.

Agenda Item 8 – Confirmation of Previous Meeting Public Excluded Minutes PE

RESOLVED

FAR 2018/045

Cr Jim Hopkins / Cr Craig Dawson

That the Finance, Audit and Risk Committee confirms public excluded meeting minutes of 15 May 2018, as circulated, as a true and correct record.

CARRIED

There being no further business, the Chair declared the meeting closed at 10.32am.

CONFIRMED at the Finance, Audit and Risk Committee Meeting held on the 10th day of July 2018 in the Council Chamber, Waitaki District Council Headquarters, 20 Thames Street, Oamaru.

[signed]

Chairman