

# MINUTES

## AUDIT AND RISK COMMITTEE MEETING

**Date:** Thursday, 16 June 2022

**Time:** 9.00 am

**Venue:** Council Chamber  
Rangitikei District Council  
46 High Street  
Marton

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**Present** Mr Craig O'Connell  
Cr Nigel Belsham  
Cr Angus Gordon [*via Zoom*]  
Cr Dave Wilson [*via Zoom*]

**In attendance** Mr Arno Benadie, Chief Operating Officer  
Mrs Carol Gordon, Group Manager – Democracy and Planning  
Mr Dave Tombs, Group Manager – Corporate Services  
Ms Gaylene Prince, Group Manager – Community Services  
Mrs Sharon Grant, Group Manager – People and Culture  
Mr Sam Zhang, Manager – Financial Services  
Mr Ash Garstang, Governance Advisor  
Cr Fi Dalgety, Health and Safety Champion [*via Zoom*]

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## **1 Welcome / Prayer**

The meeting opened at 9.00 am. Mr O'Connell read the Council prayer.

## **2 Apologies**

**Resolved minute number 22/ARK/022**

That the apology for the Mayor, who is away on Council business, be received.

Cr N Belsham/Cr D Wilson. Carried

## **3 Public Forum**

No public forum.

## **4 Conflict of Interest Declarations**

No conflicts of interest were declared.

## **5 Confirmation of Order of Business**

There were no changes to the order of business.

## **6 Confirmation of Minutes**

**Resolved minute number 22/ARK/023**

That the minutes of Audit and Risk Committee Meeting held on 10 March 2022, without amendment, be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

Cr D Wilson/Cr A Gordon. Carried

## 7 Follow-up Action Items from Previous Meetings

### 7.1 Follow-up Action Items from Audit and Risk Meetings

Mr O’Connell advised that he had recently come across a dynamic risk matrix that Gartner is promoting. He will have a look at it and see if it might be relevant for this Committee – if so, he will forward it through.

In response to a query about the depreciation of water assets for the Marton to Bulls Wastewater Centralisation Project (action item 2), Mr Tombs advised that this will not need to be considered until 30 June 2023 as the pipes are not connected.

Mr Tombs advised that the asset depreciation schedule laid out in the 2021-31 Long Term Plan will see some major revaluations after the transfer of assets to the new water entity in 2024.

**Resolved minute number 22/ARK/024**

That the report ‘Follow-up Action Items from Audit and Risk Meetings’ be received.

Cr N Belsham/Cr D Wilson. Carried

## 8 Chair’s Report

### 8.1 Chair's Report - June 2022

Mr O’Connell advised that the OAG Webinars have been attached for the Committee members information, and he will distribute any other webinars of relevance that take place in the future.

In response to a query, Mr Tombs advised that he is the staff member responsible for carrying out internal audit reviews, and that external audit reviews are outsourced.

Mr O’Connell advised that he spoke to the MW LASS leadership panel and will forward his notes from this through to the Committee.

**Resolved minute number 22/ARK/025**

That the Chair’s Report – June 2022, including the two attachments (webinar notes) to this report, be received.

Cr A Gordon/Cr D Wilson. Carried

## 9 Reports for Information

### 9.1 Health, Safety and Wellbeing

Mrs Grant advised that there have been no notifiable accidents to Worksafe NZ over the last three months.

In response to a query, Mrs Grant advised that the 'abusive' near miss related to an incident that staff had witnessed among members of the public.

Mrs Grant advised that there has been an increase in reporting between March and May, due in part to more staff returning to the workplace over this time and in part to a greater encouragement of reporting via the Health & Safety Committee and Senior Leadership Team.

Mrs Grant advised that there is a new Health & Safety Committee, and that 16 staff had recently participated in the 'safe to drive' programme.

In response to a query, Mrs Grant advised that there are monitoring processes in place for staff driver safety, including information gathered from the e-roads tool and Health & Safety reporting.

#### **Resolved minute number 22/ARK/026**

That the Health, Safety and Wellbeing Report together with attachments, be received.

Mr C O'Connell/Cr N Belsham. Carried

### 9.2 Protected Disclosures Update

In response to a query, Mrs Grant advised that the Protected Disclosures Act 2000 provided better structure around making a complaint.

In response to a query, Mr O'Connell advised that he will ask LGNZ if they have any statistics on how often this tool is used by local government employees.

#### **Resolved minute number 22/ARK/027**

That the report 'Protected Disclosures Update' report be received.

Cr D Wilson/Cr A Gordon. Carried

### 9.3 Fraud Reporting

Mr O'Connell advised that the Senior Fraud Office have recently released statistics on the occurrences of fraud, which he will distribute to Committee members.

In response to a query about what constitutes fraud, Mr Tombs advised that it is part of his role as Council's fraud officer to be the judge of this. He advised that staff have been encouraged to report any possible instances of fraud.

Council's Fraud Policy provides guidance on what constitutes Fraud and queries should be referred to the Group Manager – Corporate Services or the Chief Executive.

**Resolved minute number 22/ARK/028**

That the report 'Fraud Reporting' be received.

Cr N Belsham/Cr A Gordon. Carried

#### **9.4 Insurance Update**

Cr Belsham queried if the antecedents of the reported vehicle incidents have been reviewed and incorporated into the driver safety training that staff undergo. Mrs Grant advised no, but that there remains the opportunity to engage the driver safety advisor to conduct further training in specific areas.

**Resolved minute number 22/ARK/029**

That the report 'Insurance Update' be received.

Mr C O'Connell/Cr N Belsham. Carried

#### **9.5 Treasury Reporting**

Mr Tombs advised that COVID-19 has caused some delays to the capital programme, which has reduced the level of debt that Council currently has.

**Resolved minute number 22/ARK/030**

That the report 'Treasury Reporting' be received.

Cr N Belsham/Cr A Gordon. Carried

#### **9.6 Summary of Management Accounts**

It noted that the delay in Council's capital programme was likely to result in a greater expenditure in 2022/23 than anticipated.

In response to a query, Mr Tombs advised that the roading team have some resilience built into their three year programme, to allow for delays and carry-forwards.

**Resolved minute number 22/ARK/031**

That the report 'Summary of Management Accounts' be received.

Mr C O'Connell/Cr D Wilson. Carried

### 9.7 Strategic Risk Review

Taken as read.

**Resolved minute number 22/ARK/032**

That the report 'Strategic Risk Review' be received.

Cr N Belsham/Cr A Gordon. Carried

### 9.8 Internal Audit Programme

Mr Tombs advised that there is a slight delay to this programme due to a shortage of staff resources.

**Resolved minute number 22/ARK/033**

That the report 'Internal Audit Programme' be received.

Cr D Wilson/Mr C O'Connell. Carried

### 9.9 Audit NZ Management Letter Update

Taken as read.

**Resolved minute number 22/ARK/034**

That the report 'Audit NZ Management Letter Update' be received.

Cr N Belsham/Cr A Gordon. Carried

## 10 Public Excluded

The meeting went into public excluded session 10.23 am.

### Resolution to Exclude the Public

**Resolved minute number 22/ARK/035**

That the public be excluded from the following parts of the proceedings of this meeting.

- 1 Audit and Risk Committee Meeting - 10 March 2022
2. Follow-up Action Items from Audit and Risk Meetings

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 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	Ground(s) under section 48 for the passing of this resolution
<b>10.1 - Audit and Risk Committee Meeting - 10 March 2022</b>	s7(2)(j) - Improper Gain or Improper Advantage	s48(1)(a)
<b>10.2 - Follow-up Action Items from Audit and Risk Meetings</b>	s7(2)(j) - Improper Gain or Improper Advantage	s48(1)(a)(i)

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding or the whole or the relevant part of the proceedings of the meeting in public as specified above.

Cr D Wilson/Cr N Belsham. Carried

## 11 Open Meeting

The meeting went into open session 10.26 am.

**Resolved minute number 22/ARK/038**

That the public excluded meeting move into an open meeting, and the below recommendations be confirmed in the open meeting:

22/ARK/036 - 22/ARK/037

Mr C O'Connell/Cr N Belsham. Carried

**The meeting closed at 10.27 am.**

**The minutes of this meeting were confirmed at the Audit and Risk Committee held on 8 September 2022.**

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**Chairperson**