

Minutes of the 137th meeting of the Performance, Audit and Risk Committee held in the Council Chamber, 200 Tuam Street, Christchurch on Thursday, 30 November 2017 at 2.07pm

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Present

Cr Rod Cullinane (Chair)
Cr Peter Scott

Cr Claire McKay
Cr John Sunckell

Cr Lan Pham

In Attendance

Management and officers present

Miles McConway (Director Finance and Corporate Service), Bill Bayfield (Chief Executive Officer), Jill Atkinson (Director Strategy and Programmes), Stefanie Rixecker (Director Science), Nadeine Dommissie (Chief Operating Officer), Catherine Schache (General Counsel), Katherine Harbrow (Chief Financial Officer), Matthew Bennett (Health & Safety Advisor), and Vivienne Ong (Committee Advisor)

Report writers and supporting staff were also in attendance.

Welcome

Cr Cullinane called the meeting to order and welcomed everyone.

A replacement paper for agenda item 7.0 Public Excluded was tabled.

1. Apologies

There were no apologies.

2. Conflicts of interest

There were no conflicts of interest recorded.

3. Deputations and petitions

No petitions or requests for deputations were received.

4. Risk

4.1 Health and Safety Report

Refer page 7 – Performance, Audit and Risk Committee Agenda

Matthew Bennett provided an update on the health and safety:

- All sections were aware of the importance of health and safety and all have a health and safety plan.
- Over the past month positive progress has been made documenting and reviewing risk assessments.
- The cumulative total number of incidents for 2017 was down and the monthly incident trend has lowered.

The Committee advised they would find it helpful if some commentary was provided on the various profiles which compared to last month's statistics/incidents. Matthew advised that the inhouse Business Intelligence team were looking to provide this information for the next meeting.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the Health and Safety report.**

Cr McKay/ Cr Sunckell
CARRIED

5. Performance

5.1 Action List

Refer page 14 – Performance, Audit and Risk Committee Agenda

Katherine Harbrow presented the report.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the Action List 30 November 2017.**

Cr Pham / Cr Sunckell
CARRIED

5.2 Public Transport Financial Update

Refer page 16 – Performance, Audit and Risk Committee Agenda

Katherine Harbrow presented this report and provided an update on the monthly activity and risks.

After a discussion on rising fuel costs, it was queried whether it was possible to hedge the fuel price. Katherine advised she would look into this and will report back at the next meeting.

Members commented it was encouraging to see a positive change in patronage and requested that this be passed onto Stewart Gibbon.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the Financial Update on Public Transport Programmes.**

Cr Scott/ Cr Sunckell
CARRIED

5.3 Operations Report

Refer page 21 – Performance, Audit and Risk Committee Agenda

Chantel Mills and Katherine Harbrow presented on the operational performance for the year to 31 October 2017.

Of the 88 measured levels of surplus (LoS) targets, 87 are on track to be achieved. Only one measure is unlikely to be achieved and that is in the Regional Leadership portfolio.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the Operational Performance report for the year to 31 October 2017.**

Cr Pham/ Cr McKay
CARRIED

5.4 **Financial Health Report**

Refer page 46 – Performance, Audit and Risk Committee Agenda

Chantel Mills and Katherine Harbrow took the Committee through the financial results for the period ending 31 October 2017.

In response to questioning it was clarified that NZTA accounts were paid 20 working days after receipt of invoice, because of this timing issue it may sometimes have an effect on monthly reporting.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the monthly Financial Health report for the year to 31 October 2017.**

Cr Sunckell/ Cr McKay
CARRIED

6. **Audit**

6.1 **Audit NZ Engagement Letter: Consultation document and 2018-28 LTP**

Refer page 53 – Performance, Audit and Risk Committee Agenda

Katherine Harbrow presented the engagement letter from Audit NZ (as auditor of Environment Canterbury) for the 2018-2028 consultation document and Long Term Plan (LTP).

Councillors raised concerns around the cost these audit processes generate. When next meeting with Audit NZ this concern will be raised.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Acknowledge the terms of engagement letter from Audit NZ.**
- 2. RECOMMEND TO COUNCIL that the Chairman of Environment Canterbury, Steve Lowndes, sign the Audit NZ Audit engagement letter for the consultation document and long term plan for the period commencing 1 July 2018.**

Cr McKay/ Cr Scott
CARRIED

7. Public excluded

Resolved

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

The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution 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:

Item No.	Minutes/Report of	General Subject of each matter considered	Reason for passing this resolution to each matter	Ground(s) under section 48(1) for the passing of this resolution
1.1	Action List	Matters that require follow up actions	Good reason to withhold exists under section 7	Section 48(1)(a)
1.2	Report to the Council on audit of Environment Canterbury y/e 30 June 2017	Management Report from Audit NZ	Good reason to withhold exists under section 7	Section 48(1)(a)
1.3	Internal audit – scope of works: compliance	Proposed scope	Good reason to withhold exists under section 7	Section 48(1)(a)
1.4	Internal audit – Standard report	Monthly update	Good reason to withhold exists under section 7	Section 48(1)(a)
1.5	Risk Standing report	Monthly Update	Good reason to withhold exists under section 7	Section 48(1)(a)

This resolution is 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 that Act which would be prejudiced by the holding of the whole or relevant part of the proceeding of the meeting in public are as follows:

Item No.	
1.1 1.5	Enable the Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
1.2 1.3	Conduct of negotiations
1.3 1.4	Protect privacy of natural persons
1.4	Prevention of improper advantage

That appropriate officers remain to provide advice to the Committee.

Cr McKay / Cr Sunckell
CARRIED

The meeting went into public excluded session from 2.25pm to 2.39pm.

Resolved

That the Performance, Audit and Risk Committee:

1. Confirms that the Risk Standing Report can come out of public excluded

Cr Sunckell / Cr McKay
CARRIED

8. **Notices of motion**

There were no notices of motion.

9. **Extraordinary and urgent business**

Insurance Brokers

Comment was made on the importance of selecting the best fit when it came to insurance and brokers and obtaining the best possible deals. Councillors expressed thanks to Miles McConway for his recent work with insurance/brokers and appreciated his work and the good outcomes received.

10. **Questions**

There were no questions.

11. **Next meeting**

1 March 2018 (TBC)

12. **Closure**

The meeting closed at 2.41pm with a karakia by Cr Scott and Cr Pham.

CONFIRMED

14 December 2017

Date



Chairperson