

Minutes of the 138th meeting of the Performance, Audit and Risk Committee held in the Council Chamber, 200 Tuam Street, Christchurch on Thursday, 1 March 2018 at 2.04pm

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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), David Perenara-O'Connell (Acting Director Strategy and Programmes), Nadeine Domnisse (Chief Operating Officer), Catherine Schache (General Counsel), Katherine Harbrow (Chief Financial Officer), Matthew Bennett (Health & Safety Advisor), Jeremy Dickson (Manager Public Transport Business Services and Improvement), Chantel Mills Team Leader – Corporate Reporting), and Louise McDonald (Senior Committee Advisor)

Miles O'Connor, Treasury Advisor, Bancorp

Other staff were in attendance.

Welcome

Cr Cullinane welcomed everyone to the meeting and declared the meeting open at 2.04 pm..

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.

Presentation – Item 5.4 Financial Health report

Miles O'Connor, Bancorp Treasury Services Ltd was welcomed to the meeting.

Mr O'Connor spoke to the Treasury Report for the quarter ending 31 December 2017 (attachment 2 to item 5.4.). His presentation included an update of the market environment.

He noted that Environment Canterbury's debt portfolio has the lowest cost of funds of any local authority in New Zealand that Bancorp are aware of.

4. Risk

4.1 Health and Safety Report

Refer page 7 – Performance, Audit and Risk Committee Agenda

Matthew Bennett presented his report.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the Health and Safety report for February 2018.**

Cr Scott / Cr McKay
CARRIED

4.2 **Risk Standing Report**

Refer page 14 – Performance, Audit and Risk Committee Agenda

Katherine Harbrow presented this report:

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the report as an update on risk management activities, and**
- 2. Advise staff that there are no issues requiring additional assurance.**

Cr Sunckell / Cr Pham
CARRIED

5. **Performance**

5.1 **Efficiency and Productivity Reporting**

Refer page 18 – Performance, Audit and Risk Committee Agenda

Miles McConway presented this report.

The Chair congratulated staff on the work done and the savings made.

In response to whether these savings were a one off, the Committee was advised that they are savings off annual expenditure, and so in effect the Council is saving that amount every year.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receives the Efficiency and Productivity report and attachments; and**
- 2. Notes the ongoing focus on this work across the organisation and that further reports will be provided to the Committee.**

Cr McKay / Cr Sunckell
CARRIED

5.2 **Action List**

Refer page 26 – Performance, Audit and Risk Committee Agenda

Katherine Harbrow presented the action list.

As there was no Performance, Audit and Risk Committee meeting held in February, the regular Committee reports were presented to the Council meeting held on 15 February. An action from that meeting had been included in the action list.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the Action List for the 1 March 2018 meeting agenda.**

Cr Scott / Cr Pham
CARRIED

5.3 Public Transport Financial Update

Refer page 28 – Performance, Audit and Risk Committee Agenda

Jeremy Dickson presented this report and provided an update on the monthly activity and risks.

Resolved

That the Performance, Audit and Risk Committee:

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

Cr Pham / Cr McKay
CARRIED

5.4 Financial Health Report

Refer page 35 – Performance, Audit and Risk Committee Agenda

Chantel Mills and Katherine Harbrow took the Committee through the financial results for the period ending 31 January 2018.

The following corrections were noted:

- The explanation included in Revenue on page 38 (and in the Operations Report on page 60) should read “the Orari-Temuka-Opihi-Pareora *Regional Water Scheme project funded from the Crown Irrigation Acceleration Fund (Crown Irrigation Investments Ltd)*”
- The reporting dates on pages 39 & 40 were incorrect and should be the period to 31 January 2018.

Attached to this report was the treasury report for the quarter ending 31 December 2017 prepared by Bancorp Treasury Services Limited. Miles O'Connor of Bancorp had presented this report earlier in the meeting.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the monthly Financial Health report for the seven months ended 31 January 2018.**

Cr Sunckell/ Cr Scott
CARRIED

5.5 Operations Report

Refer page 59 – Performance, Audit and Risk Committee Agenda

Chantel Mills and Katherine Harbrow presented on the operational performance for the seven months ended 31 January 2018.

It was requested that it would be useful to include in this report more detail about the new work in the urban water way initiatives starting within Christchurch.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receive the Operational Performance report for the seven months ended 31 January 2018.**

Cr McKay / Cr Scott
CARRIED

6. 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
1.0	Internal audit – Standard 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.	
1.0	Enable the Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

That appropriate officers remain to provide advice to the Committee.

Cr Scott / Cr Pham
CARRIED

The meeting went into public excluded session from 3.02 to 3.10 pm.

Resolved

That the Performance, Audit and Risk Committee:

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

Cr Scott / Cr Sunckell
CARRIED

8. Notices of motion

There were no notices of motion.

9. Extraordinary and urgent business

There was no urgent business.

10. Questions

There were no questions.

11. Next meeting

29 March 2018

12. Closure

Cr Cullinane declared the closed at 3.12 pm.

CONFIRMED

Date

16/3/2018

Chairperson

