

# **Minutes of the 141<sup>st</sup> meeting of the Performance, Audit and Risk Committee held in the Waimakariri Room, 200 Tuam Street, Christchurch on Thursday, 24 May 2018 at 2.07pm**

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## **Present**

Cr Rod Cullinane (Chair)  
Cr Claire McKay

Cr Peter Scott  
Chairman Steve Lowndes

Cr John Sunckell

## **In Attendance**

### **Management and officers present**

Katherine Trought (Acting Chief Executive Officer), Miles McConway (Director Finance and Corporate Service), Andrew Parrish (Acting Director Strategy & Planning), Stefanie Rixecker (Director Science), Nadeine Dommissie (Chief Operating Officer), Katherine Harbrow (Chief Financial Officer), Catherine Schache (General Counsel), David Perenara-O'Connell (Programme Manager Ngai Tahu), Robert Woods (Consultant) and Vivienne Ong (Committee Advisor)

Report writers and supporting staff were also in attendance.

## **Welcome**

Cr Cullinane opened the meeting by welcoming Chairman Steve Lowndes.

### **1. 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*

Miles McConway presented this report and went through progress and improvements made during the past month. It was confirmed a health and safety briefing was scheduled for Councillors next Thursday.

#### **Resolved**

**That the Performance, Audit and Risk Committee:**

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

Cr Scott / Cr Sunckell  
CARRIED

### **5. Performance**

#### **5.1 Action List**

*Refer page 12 – Performance, Audit and Risk Committee Agenda*

Katherine Harbrow presented the Action List and highlighted the following points:

- The monthly Operations report includes commentary on the required run rate to achieve the 8+4 forecast as year end.
- Regular reporting on Efficiency and Productivity.

#### **Resolved**

**That the Performance, Audit and Risk Committee:**

- 1. Receive the Action List for 24 May 2018 meeting agenda.**

Cr McKay / Chair Lowndes  
CARRIED

## 5.2 Operational Report

*Refer page 14 – Performance, Audit and Risk Committee Agenda*

Chantel Mills and Katherine Harbrow presented on the operational performance for the ten months ended 30 April 2018.

The Government revoking dam safety standards meant requirements for the Dam Safety Assurance programme could no longer be enforced. This presently sits with the Resource Management and the Building Act, and there is uncertainty on where it will sit in the future. This affects the Level of Service (LOS) rating. Not achieving the LOS is beyond ECan's control. Chantel Mills said next month the dam safety LOS will not be measured.

The Chair requested a forecast on revenue for the year. Katherine Harbrow advised the dollar value for revenue was reported in the 8+4 forecast. Forecast of expenditure also depended on the wilding pine grant and other external influences.

### **Resolved**

**That the Performance, Audit and Risk Committee:**

- 1. Receive the Operational Performance report for the ten months ended 30 April 2018.**

Cr Sunckell / Cr McKay  
CARRIED

## 5.3 Financial Health Report

*Refer page 38 – Performance, Audit and Risk Committee Agenda*

Chantel Mills and Katherine Harbrow took the Committee through the financial results for the period ending 30 April 2018.

### **Resolved**

**That the Performance, Audit and Risk Committee:**

- 1. Receive the monthly Financial Health report for the ten months ended 30 April 2018.**

Cr Scott / Chair Lowndes  
CARRIED

## 5.4 Efficiency and Productivity Reporting

*Refer page 45 – Performance, Audit and Risk Committee Agenda*

Robert Woods and Bronwyn Simmonds presented the report.

Robert Woods spoke on efficiency gains achieved in water and power consumption at 200 Tuam Street. The following was raised during discussion:

- Improvements have been made to mechanical and electrical plant; settings have also been altered - resulting in a 20% decline in cost. Costs are expected to continue to decline resulting in a saving of 30%.

- Currently considering 40kw solar power batteries. It was noted these batteries will not have capacity to store energy.
- Retentions with the building contractor of Tuam Street have now been paid over.

### **Resolved**

**That the Performance, Audit and Risk Committee:**

- 1. Receive the Efficiency and Productivity report and attachment**
- 2. Note the ongoing focus on this work across the organisation and that further reports will be provided to the Committee**

Cr Sunckell / Cr McKay  
CARRIED

## **5.5 Public Transport Financial Update**

*Refer additional paper*

Stewart Gibbon presented this report and provided an update on the monthly activity and risks.

- Highlighted April patronage was good. Presently tracking for a modest positive outcome for the financial year.
- Discussion on effects of increased fuel prices in relation to patronage, Total Mobility and Super Gold Card.

### **Resolved**

**That the Performance, Audit and Risk Committee:**

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

Cr Scott / Cr Sunckell  
CARRIED

## **6. Audit**

### **6.1 Internal Audit Standing Paper**

*Refer page 49 - Performance, Audit and Risk Committee Agenda*

Tanya Clifford and Katherine Harbrow presented this report.

It was determined that a report would be presented to this Committee on findings of the recent tax GST and FBT internal audit that was presented to the Executive Leadership Team (ELT).

Councillor Scott remarked whilst it may seem like not a lot was happening during these meetings, he appreciated a lot of work goes on behind the scenes. He paid tribute to staff on how well they think about what was required for audit and risk and this was reflected in the reporting presented. The Chair agreed that reporting was excellent and any relevant questions were well answered and explained.

**Resolved**

**That the Performance, Audit and Risk Committee:**

1. **Note the progress of the internal audit programme, and**
2. **Advise staff there are no internal audit issues for this month.**

Cr McKay / Chair Lowndes  
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	Update	Good reason to withhold	Section 48(1)(a)
1.2	Risk Standing Report		exists under section 7	

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	Enable the Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
1.2	

*That appropriate officers remain to provide advice to the Committee.*

Cr Scott / Cr Sunckell  
CARRIED

The meeting went into public excluded session from 2.44pm to 2.47pm.

**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**

Thursday, 28 June 2018

12. **Closure**

Cr Cullinane declared the meeting closed at 2.48pm.

CONFIRMED

21 June 2018

Date



Chairperson