

# **Minutes of the 149<sup>th</sup> meeting of the Performance, Audit and Risk Committee held in the Council Chamber, 200 Tuam Street, Christchurch on Thursday, 27 June 2019 at 2.04pm**

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## **Present**

Cr John Sunckell (Chair)      Cr Claire McKay  
Chair Steve Lowndes      Cr Iaeen Cranwell

## **Management and officers present**

Bill Bayfield (Chief Executive), Miles McConway (Director Finance and Corporate Services), Katherine Harbrow (Chief Financial Officer), Nadeine Dommissie (Chief Operating Officer), Stefanie Rixecker (Director Science), Katherine Trought (Director Strategy & Planning), Tafflyn Bradford-James (Director Communications), Catherine Schache (General Counsel), Stewart Gibbon (Senior Manager Public Transport), Bronwyn Simmonds (Asset Services Manager), David Perenara-O'Connell (Senior Strategy Manager), Tarsha Triplow (Team Leader Corporate Reporting), Matthew Bennett (Principal Health and Safety Advisor), Clare Pattison (Senior Strategy Advisor), Nicholas Hill (Risk Advisor/Special Projects), and Vivienne Ong (Committee Advisor)

Report writers and supporting staff were also in attendance.

## **Welcome**

The Chair welcomed everyone to the meeting.

### **1. Apologies**

An apology was received from Councillor Peter Scott.

### **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 spoke to his report.

Councillors asked if any further progress had been made this year to mitigate weather-related slips and falls of staff during icy winter conditions. It was agreed the slippery bridges and pathways could become a serious slipping/falling hazard and limited treatments such as grit and homemade signage were currently being used. Councillor Sunckell suggested investing in icy-warning technology using solar powered blue markers that flash blue when path conditions become icy, to warn staff. Matthew said he would investigate into the blue-marker technology (offered by Solar Bright) and will also erect quality warning signs.

### **Resolved**

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

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

Chair Lowndes / Cr Cranwell  
CARRIED

#### **4.2 Risk Standing Item**

*Refer page 11 – Performance, Audit and Risk Committee Agenda*

Nicholas Hill provided an update on the risk management programme and advised a risk management workshop for Councillors was planned.

## **Resolved**

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

- 1. Receive the report on risk management activities, and**
- 2. advise staff that there are no risk issues requiring assurance.**

Cr McKay / Chair Lowndes  
CARRIED

## **5. Performance**

### **5.1 Action List**

*Refer page 13 – Performance, Audit and Risk Committee Agenda*

Katherine Harbrow presented the Action List.

## **Resolved**

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

- 1. Receive the Action List for 27 June 2019 meeting**

Cr Cranwell / Cr McKay  
CARRIED

### **5.2 River Rating District 18/19 Financial Reserve Use**

*Refer page 15 – Performance, Audit and Risk Committee Agenda*

It was clarified that the rivers reserves budget comes out of each of the ratings districts as required. There was currently \$8m in reserves for river schemes.

Nadeine Dommissie reassured Councillors that staff were keeping a close eye on the environment during sudden downpours and weather-related events. Staff were also monitoring whether recurring climate crisis weather events were expected or not.

## **Resolved**

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

- 1. Recommends to Council that the use of financial reserves for flood and erosion repairs for the river schemes listed in the report up to \$660,000 be approved**

Cr McKay / Cr Cranwell  
CARRIED

### **5.3 Operational Report**

*Refer page 19 – Performance, Audit and Risk Committee Agenda*

Tarsha Triplow and Katherine Harbrow reported on operational performance by portfolio for the 11-month period ending 31 May 2019.

**Resolved**

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

1. **Receives the Operational Performance report for the period ended 31 May 2019.**

Chair Lowndes / Cr Cranwell  
CARRIED

Agenda item 8 was taken at this time

8. **Other Business – Late Items**

*Refer front page of the reports circulated separately*

**Resolved**

**That these reports be received and considered at the Performance, Audit and Risk Committee meeting on 27 June 2019:**

1. **Financial Health Report May 2019**
2. **Healthier Homes Canterbury Quarterly Report**

Chair Lowndes / Cr McKay  
CARRIED

8.1 **Financial Health Report**

*Refer late papers agenda item 8.1*

Tarsha Triplow and Katherine Harbrow took the Committee through the financial results for the period ended 31 May 2019 and advised financial results were continuing to track as per previous years.

**Resolved**

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

1. **Receives the monthly Financial Health report for period ended 31 May 2019.**

Cr McKay / Cr Cranwell  
CARRIED

8.2 **Healthier Homes Canterbury Quarterly Report**

*Refer late papers agenda item 8.2*

Clare Pattison presented her report and advised all was on track. The next report was due in August and this report would include the winter period figures.

**Resolved**

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

1. **Receives the performance update on Healthier Homes Canterbury.**

Chair Lowndes / Cr McKay  
CARRIED



#### 5.4 **Public Transport Financial Update**

*Refer page 39 – Performance, Audit and Risk Committee Agenda*

Stewart Gibbon spoke to his report noting that patronage was down due to the teachers strikes and schools being closed.

##### Electric Buses

Three new electric buses were starting on Monday on the 29 Airport route. Funding to procure the e-buses was a combination between ECan, Café, Red Bus and operators. The cost of contracts was not increased. The e-buses will have cheaper running costs and there was the ability to gain a lot of intelligence and data on the vehicles.

##### Wifi Trial

The free wifi on buses was still being trialled on the Rolleston Express, 29 Airport, and now on the 95 Waimakariri route. Customer feedback has been very positive; however, there has been no significant rise in patronage. Auckland Transport advised their free wifi bus trials produced similar outcomes.

Customer satisfaction was important, and tourists expect free wifi on buses, it was pleasing that they enjoy the service. Therefore, there was no reason to turn this service off. Need to be careful and have good reasoning if expansion of the trial was to go further.

##### Fare Increases / Climate Emergency

Councillors asked for a clear explanation on the current 2.5% fare increase of cash and child fares. Stewart advised the Fare increases were an outcome of the Long Term Plan process with the key purpose of the increase in direct response to the NZTA index and inflation costs. This year the index is currently 3.8% for the 12 months to March 2019. The 2.5% increase was unlikely to impact patronage and it was worthwhile noting, if fares had not increased, to cover the full cost of 3.8% index increase it would require around a 7% patronage growth, which was both unrealistic and unsustainable with current constraints.

##### Total Mobility

Total Mobility was well used by transport disadvantaged communities, more and more people were taking advantage of it to enable them to connect, socialise and do things they want to do.

Sustainability needs to be considered along with the purpose of service and population growth. A realignment in the budget process will be required, especially if that community continues to grow.

#### **Resolved**

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

- 1. Receives the Financial Update on Public Transport.**

Cr Cranwell / Cr McKay  
CARRIED

## 6. **Audit**

### 6.1 **2018/19 Annual Report Audit Plan**

*Refer page 47 – Performance, Audit and Risk Committee Agenda*

Katherine Harbrow introduced this report. Councillors noted the issues the Auditors were looking at and enquired regarding processes and timing for adoption.

#### **Resolved**

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

- 1. Receives the Audit NZ Audit plan for the year ended 30 June 2019.**

Chair Lowndes / Cr McKay  
CARRIED

### 6.2 **Internal Audit Update**

*Refer page 63 – Performance, Audit and Risk Committee Agenda*

Katherine Harbrow advised everything was on track.

#### **Resolved**

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

- 1. Notes the progress of the internal audit programme, and**
- 2. advise staff that there are no items meriting internal audit attention**

Cr McKay / Cr Cranwell  
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	Johns Road Site	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	Enable the Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)

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

Chair Lowndes / Cr McKay  
CARRIED

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

7. **Notices of motion**

There were no notices of motion.

9. **Questions**

There were no questions.

10. **Next Meeting**

Thursday, 15 August 2019.

11. **Closure**

The Chair declared the meeting closed at 2.55pm.

CONFIRMED

Date

11 / 7 / 2019

Chairperson