

Minutes of the 152nd meeting of the Performance, Audit and Risk Committee held in the Council Chamber, 200 Tuam Street, Christchurch on Thursday, 27 February 2020 at 2.01pm

Contents

1. Apologies
2. Conflicts of Interest
3. Deputations and Petitions
4. Risk
 - 4.1 Health and Safety
 - 4.2 Risk Standing Report
5. Performance
 - 5.1 Action List
 - 5.2 Portfolio Financial Report January 2020
 - 5.3 Financial Health Reports January 2020
 - 5.4 Quarter Two Portfolio Performance Report
 - 5.5 Public Transport Financial Update
6. Audit
 - 6.1 Audit Actions Update
7. Notices of Motion
8. Extraordinary and Urgent Business
9. Questions
10. Next Meeting
11. Closure

Present

Cr John Sunckell (Chair)	Cr Claire McKay	Cr Megan Hands
Chair Jenny Hughey	Cr Ian Mackenzie	Cr Grant Edge
Graeme McGlinn		

In Attendance

Cr Nicole Marshall

Management and officers present

Bill Bayfield (Chief Executive), Stefanie Rixecker (Director Science), Tafflyn Bradford-James (Director Communications), Catherine Schache (General Counsel), David Perenara-O'Connell (Senior Strategy Manager), Stewart Gibbon (Senior Manager Public Transport), Nicholas Hill (Risk and Business Improvement Manager), Caroline Hart (Senior Strategy Manager), Matthew Bennett (Principal Health and Safety Advisor), Tarsha Triplow (Team Leader Corporate Reporting), Tania Harris (Senior Manager, Operational Support), Danette Wereta (Business & Customer Service Manager), Dirk Brand (Manager Regional Support), Leigh Griffiths (Manager River Engineering), and Vivienne Ong (Committee Advisor)

Report writers and supporting staff were also in attendance.

Welcome

The Chair welcomed everyone to the Performance, Audit and Risk Committee meeting.

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 10 – Performance, Audit and Risk Committee Agenda

Matthew Bennett advised the two major health and safety incidents reported were non-work accidents and were on the Incident Register to ensure 'back to work' programmes were accommodated.

Committee members asked for clarification on several charts and commented they found them hard to interpret and that the graphs required more written explanation. Matthew also advised in future reporting it would be clear that information was reflective.

Staff training and competency was a critical mitigation to risk in the health and safety space. When concern was raised for staff exposed to citizen anger, members were assured that all appropriate training and responses were in place ensuring staff safety, well-being and retention for employees exposed to anger.

Resolved

That the Performance, Audit and Risk Committee:

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

Cr Edge / Cr McKay
CARRIED

4.2 Risk Standing Report

Refer page 22 – Performance, Audit and Risk Committee Agenda

Nick Hill provided an update on risk management activities and spoke of assessing organisational risk maturity by using an Enterprise Risk Maturity Assessment Framework approach.

The Committee Chair, Councillor John Sunckell, stated there was a current world view of assessing, risk, fraud and decision-making processes. He proposed an internal audit to look at decision making and continuity of processes across the organisation and see how Environment Canterbury's decision-making processes rated against other organisations. The Chair made it clear that nothing had triggered this audit request, it was just prudent.

Resolved

That the Performance, Audit and Risk Committee:

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

Cr Hands / Mr McGlinn
CARRIED

5. Performance

5.1 Action List

Refer page 24 – Performance, Audit and Risk Committee Agenda

Nicholas Hill introduced this report, and Stewart Gibbon provided a brief update on Public Transport (Action 1) advising average growth and total cost percentages.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receives the Audit List report**

Cr McKay / Mr McGlinn
CARRIED

5.2 Portfolio Financial Report January 2020

Refer page 25 – Performance, Audit and Risk Committee Agenda

Tarsha Triplow and Katherine Harbrow reported on financial performance for the period ended 31 January 2020. The 8+4 forecasts will begin to be collated over the next 3-4 weeks and this would provide a strong indicator to end of financial year position.

During explanations of the financial performance, it was clarified that each portfolio updated their level of service (LOS)

In answer to a question, it was clarified not only financial performance was reported against each portfolio, but also level of service along with operational commentaries.

Delays to Plan Change 7 shows up as a major variance in the portfolio; this was workflow timing leading up to a May 2020 Hearing. It will be back on budget by the end of the financial year. Unfortunately, delays to zone work programmes may be unrecoverable; however, this was minor.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receives the Portfolio Financial report for the period ended 31 January 2020**
- 2. Notes the Council approved unbudgeted expenditure for this financial year**

Cr McKay / Cr Mackenzie
CARRIED

5.3 Financial Health Reports January 2020

Refer page 34 – Performance, Audit and Risk Committee Agenda

Tarsha Triplow and Katherine Harbrow reported on financial results for the period ended 31 January 2020 and provided an update on the cash position.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receives the monthly Financial Health Report for the period ended 31 January 2020**
- 2. Notes the table of Council approved unbudgeted expenditure listed in the Financial Health Report**

Cr Hands / Cr Edge
CARRIED

5.4 Quarter Two Portfolio Performance Report

Refer page 41 – Performance, Audit and Risk Committee Agenda

David Perenara-O'Connell and Caroline Hart reported on portfolio performance for the period 1 July 0 31 December 2019 regarding progress being made on the commitments to the community in the Long-Term-Plan 2018-2019.

The Chair acknowledged progress and noted there were no significant issues with performance.

The following suggestions were made on the new format of reporting:

- Change the title, to something more reflective, eg: Progress Report
- or set the report out as a year-to-date, eg: 6-month report

Rangitata River Flood Event

The December 2019 major flood event in the Rangitata catchment caused extensive damage to river protection, roading, rail and farmland. As a result, assessment of the impact has had a financial cost to Council. Leigh Griffiths, provided an explanation on current process and for scoping how much work there was to do to get the catchment scheme back to preflood. Council will be advised as soon as costs are determined and where they might sit.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receives the second quarter portfolio performance report for the period 1 July – 31 December 2019 (year-to-date)**

Mr McGlinn / Cr McKay
CARRIED

5.5 Public Transport Financial Update

Refer page 67 – Performance, Audit and Risk Committee Agenda

Stewart Gibbon spoke to his report.

The Chair acknowledged the significance of the recently awarded public transport contracts and thanked Stewart Gibbon and his team for their efforts.

In response to a question regarding the realignment of the Orbiter route due to the University closing Homestead Lane, Mr Gibbon advised that options were being considered for discussion with the community.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Receives the financial update on Public Transport**

Chair Hughey / Cr Mackenzie
CARRIED

6. Audit

6.1 Audit Actions Update

Refer page 113 – Performance, Audit and Risk Committee Agenda

Nick Hill, with Katherine Harbrow, presented this report. Miles McConway thanked Graeme McGlinn for his input to the process for resolving the matters raised by Audit New Zealand.

Mr McGlinn advised that his suggestion of adding timing milestones to the reporting was being worked on.

The asset management system for flood protection was discussed. A request was made for information about the location and health of the flood management schemes. The Committee was advised that this information would be provided through the hazards' portfolio and climate change updates.

Resolved

That the Performance, Audit and Risk Committee:

- 1. Agrees progress on the four current Audit NZ recommendations and the matter of MetroCard balances is in line with Committee expectations**

Cr Mackenzie / Mr McGlinn
CARRIED

7. Notices of motion

There were no notices of motion.

8. Extraordinary and Urgent Business

The Chair requested that a general business item be added to future agendas. This would provide the Committee with the opportunity to raise matters for consideration at subsequent meetings.

9. Questions

There were no questions.

10. Next Meeting

The next meeting will be held on 26 March 2020.

11. Closure

The Chair declared the meeting closed at 3.15pm.

CONFIRMED

12/3/2020
Date


Chairperson