

# **Minutes of the 160<sup>th</sup> meeting of the Performance, Audit and Risk Committee held in the Council Chamber, Environment Canterbury, 200 Tuam Street, Christchurch on Thursday, 18 February 2021 at 2.03pm**

## **Contents**

1. Welcome
2. Apologies
3. Conflicts of Interest
4. Call for General Business
5. Deputations and Petitions
6. Risk
  - 6.1 Health and Safety
  - 6.2 Risk Standing Report
7. Performance
  - 7.1 Action List
  - 7.2 Public Transport Financial Report
  - 7.3 Portfolio Financial Report November 2020
  - 7.3 Financial Health Reports November 2020
  - 7.4 Portfolio Performance Report (year-to-date)
8. Audit
9. Public Excluded
10. Notices of Motion
11. Extraordinary and Urgent Business
12. General Business
13. Questions
14. Next Meeting
15. Mihi/Karakia Whakamutunga - Closing

## **Present**

Committee Chair, Councillor John Sunckell  
Councillor Grant Edge  
Councillor Vicky Southworth  
Tumu Taiao Iaeen Cranwell

Councillor Ian Mackenzie  
Councillor Megan Hands  
Independent Member, Graeme McGlinn  
Independent Member, Graham Naylor

## **Management and officers present**

David Perenara-O'Connell (Director Strategy and Planning)  
Catherine Schache (General Counsel)  
Katherine Harbrow (Chief Financial Officer)  
Stewart Gibbon (Senior Manager Public Transport)  
Nicholas Hill (Risk and Business Improvement Manager)  
Matthew Bennett (Principal Health and Safety Advisor)  
Caroline Hart (Senior Strategy Manager)  
Cameron Smith (Senior Strategy Manager)  
Vivienne Ong (Committee Advisor)

Report writers and supporting staff were also in attendance.

1. **Mihi/karakia tīmatanga - opening**

Committee Chair, Councillor John Sunckell opened the meeting and welcomed Independent Member, Graham Naylor to his first Performance Audit and Risk Committee meeting. Members briefly introduced themselves and Graham Naylor highlighted his experience and background.

2. **Apologies**

Apologies were received from Chair Jenny Hughey, Councillors Nicole Marshall, and Claire McKay.

3. **Conflicts of interest**

There were no conflicts of interest recorded.

4. **Call for general business items**

There were no items for general business.

5. **Deputations and petitions**

There were no petitions or deputations by appointment.

6. **Risk**

6.1 **Health and safety report**

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

Matthew Bennett summarised the analysis of the health and safety events and activities for the period up to 31 January 2021.

Attention was drawn to flood protection risk that could occur to physical structures, staff, and the public. In reply, Matthew advised proactive and preventative measures were being utilised and monitored through river engineering to mitigate risk to business and the public.

**Resolved**

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

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

Cr Grant Edge/Cr Vicky Southworth  
CARRIED

## 6.2 **Risk standing report**

*Refer page 20 – Performance, Audit and Risk Committee Agenda*

Nicholas Hill provided an update to the risk management programme, noting as the organisation was in a state of continued readiness, the recent movement in COVID-19 alert levels resulted in minimal disruption.

It was noted the risk management policy was due for review and a Council key risk workshop was being scheduled in March 2021.

### **Resolved**

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

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

Cr Megan Hands/Tumu Taiao laean Cranwell  
CARRIED

## 7. **Performance**

### 7.1 **Action list**

*Refer page 21 – Performance, Audit and Risk Committee Agenda*

Nicholas Hill provided an update and explained actions listed were sourced from 2019 and 2020 Audit letter recommendations. It was noted, even if completed, actions would not be removed from the action list until officially signed off by Audit NZ. Members requested, in future, colour coding to be used on reporting to differentiate between completed and non-completed actions; due dates to also be included.

During questioning clarification was made on the following:

- Useful live of assets.
- Asset depreciation alignment with policy.

### **Resolved**

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

- 1. receives the Action List.**

Cr Grant Edge/Graeme McGlinn  
CARRIED

### 7.2 **Public transport financial update**

*Refer page 22 – Performance, Audit and Risk Committee Agenda*

Stewart Gibbon reported on monthly activity and risks for the seven-month period from 1 July 2020 to 31 January 2021 and during questioning provided clarification on activity, trends, and risk analysis.

## **Resolved**

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

- 1. receives the Public Transport financial update.**

Cr Vicky Southworth/Graham Naylor  
CARRIED

### **7.3 Portfolio financial report November 2020**

*Refer page 29 – Performance, Audit and Risk Committee Agenda*

Katherine Harbrow presented the Portfolio Financial Report for the period ended 30 November 2020.

In response to questioning, David Perenara-O'Connell explained impacts of COVID-19 meant there was a slower start to portfolio spending. Subsequently, Government COVID-19 grants were reflected in the revenue currently showing as a portfolio underspend. David pointed out the increase in workload to the organisation and provided an overview on where portfolio surpluses were tagged for spend.

Referencing the point above, Katherine Harbrow provided an update of the January 2021 year to date financial position including the temporary surplus, explaining the upcoming 8+4 forecasting process would provide a more accurate estimate of the end of year forecast and a clearer understanding of the progress on Government funded work.

## **Resolved**

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

- 1. receives the Portfolio Financial Report for the period ended 30 November 2020**

Tumu Taiao laean Cranwell/Cr Grant Edge  
CARRIED

### **7.4 Financial health reports November 2020**

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

Katherine Harbrow gave an overview of financial results for the period ended 30 November 2020 and provided an update of the January 2021 cash position.

Following discussion, it was agreed:

- Councillors should ensure that where there were requests for delegations for additional borrowing that the delegation limit be clear.
- Cash in bank reporting to include narrative on extraordinary items such as advances from Central Government.

## **Resolved**



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

- 1. receives the monthly Financial Health Report for the period ended 30 November 2020**
- 2. notes the table of unbudgeted expenditure that has already been approved by Council.**

Graeme McGlinn/Graham Naylor  
CARRIED

**7.5 Portfolio performance report (year-to-date)**

*Refer page 44 – Performance, Audit and Risk Committee Agenda*

David Perenara O'Connell, Caroline Hart and Cameron Smith reported on progress of performance measures and levels of service to the community as stipulated in the 2020/21 Annual Plan.

Members expressed appreciation for the work gone into the report stating it was a clear description of portfolio work that was progressing.

**Resolved**

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

- 1. receives the portfolio performance report for the period 1 July 2020 – 31 December 2020 (year-to-date).**

Cr Megan Hands/Cr Grant Edge  
CARRIED

**8. Audit**

There were no items for Audit.

**8. 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
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1.1	Public Transport Investment Audit	Updates	Good reason to withhold exists under section 7	Section 48(1)(a)
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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 out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)

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

Cr Ian McKenzie/Cr Grant Edge  
CARRIED

The meeting went into public excluded session from 3.03pm to 3.12pm.

## **8A. PUBLIC EXCLUDED BUSINESS RELEASED INTO OPEN MEETING**

### **1.1 Public Transport Investment Audit**

During the public excluded session Jeremy Dickson announced the Waka Kotahi NZ Transport Agency public transport investment audit which took place late last year resulted in Environment Canterbury obtaining the highest possible rating and was one of the few councils to receive such a high rating.

It was recognised this was the result of an extensive amount of work from the public transport team and gave assurance to Committee members on direction.

Committee members determined the resolution and the report, without Appendix B, be made available to the public.

### **Resolved**

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

- notes that Environment Canterbury has been rated as Effective in its administration of the land transport programme with no suggestions or recommendations for improvement**

Tumu Taiao Iaeen Cranwell/Cr Ian Mackenzie  
CARRIED

### **Resolved**

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

- agrees the Public Transport Investment Audit report/recommendation without Appendix B be released into the open section of the meeting**

10. **Notices of motion**

There were no notices of motion.

11. **Extraordinary and urgent business**

There was no extraordinary or urgent business.

12. **General business**

There was no general business.

13. **Questions**

There were no questions.

14. **Next meeting**

The next meeting will be held 25 March 2021.


14. **Mihi/karakia whakamutunga – closing**

Karakia: Councillor Grant Edge

The Chair declared the meeting closed at 3.14pm.

CONFIRMED

25 March 2021  
Date

  
Chairperson