

Minutes of the 163rd meeting of the Performance, Audit and Risk Committee held in the Council Chamber, Environment Canterbury, 200 Tuam Street, Christchurch on Thursday, 27 May 2021 at 2.00pm

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 Bancorp Treasury Services Quarterly Report ending 31 March 2021
 - 7.4 Portfolio Financial Report April 2021
 - 7.5 Financial Health Reports 30 April 2021
8. Audit
 - 8.1 Stimulus and Shovel Ready Projects and Associated Reporting
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

Tumu Taiao Iaeen Cranwell (Chair) , Councillors Claire McKay, Ian Mackenzie, Grant Edge, Nicole Marshall and Vicky Southworth

Independent Members: Graeme McGlinn and Graham Naylor

In Attendance

Councillor Phil Clearwater

Management and officers present

Katherine Harbrow (Acting Director Finance and Corporate Services), David Perenara-O'Connell (Acting Director Strategy and Planning), Katherine Harbrow (Director Operations), Tim Davie (Director Science), Tafflyn Bradford-James (Director Communications and Engagement), Catherine Schache (General Counsel), Catherine McMillan (Acting Chief Financial Officer), Stewart Gibbon (Senior Manager Public Transport), Nicholas Hill (Risk and Business Improvement Manager), Matthew Bennett (Principal Health and Safety Advisor), Tarsha Triplow (Team Leader Corporate Reporting) and Louise McDonald (Senior Committee Advisor)

Report writers and supporting staff were also in attendance.

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

As the Chair Councillor John Sunckell was an apology for this meeting the Acting Director Finance and Corporate Services opened the meeting and pursuant to Standing Order 2.3.2 called for nominations for a member to preside at this meeting.

Proposed Cr Marshall, seconded Cr Edge

That Tumu Taiao laean Cranwell be appointed to preside at this meeting, and that he may exercise at this meeting the responsibilities, duties, and powers of the chairperson.

CARRIED

Tumu Taiao Cranwell assumed the Chair.

2. **Apologies**

Apologies were received from Chair Jenny Hughey, Councillors John Sunckell and Megan Hands.

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.

6. **Risk**

6.1 **Health and safety report**

Refer page 12 – Performance, Audit and Risk Committee Agenda

Matthew Bennett summarised the analysis of the health and safety events and activities for the period 1 to 30 April 2021.

The incident list on page 20 of the agenda was considered, in particular the incident that involved contact with overhead electricity. Staff noted the incident as under investigation.

Following a familiarisation tour of council assets, the independent members raised the Council's obligations under the Health and Safety at Work Act for gravel extractions by contractors in the Waimakariri River. The Council was advised that in this case the Council is not the PCBU (Person Conducting a Business or Undertaking).

In response to a question regarding reporting on wellness and stress; the Committee were advised that staff would come back to the Committee with a proposal to report on this quarterly.

Cr Edge suggested that as part of monthly health and safety meetings with staff that members have the opportunity to participate in safety activities.

Resolved

That the Performance, Audit and Risk Committee:

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

Cr Vicky Southworth/Cr Grant Edge
CARRIED

6.2 Risk standing report

Refer page 21 – Performance, Audit and Risk Committee Agenda

Nicholas Hill presented this report.

The management of the gift registration was discussed. It was confirmed that the gift register was managed by the Chair and the Chief Executive. The Committee requested that a report be provided to the Committee on gifts received and gifts declined. Noting privacy considerations this reporting would not name organisation or individuals.

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 gift registration requires additional risk assurance.**

Cr Claire McKay/Cr Grant Edge
CARRIED

7. Performance

7.1 Action list

Refer page 23 – Performance, Audit and Risk Committee Agenda

Nicholas Hill presented this report.

A request was made for the final wash-up calculation to ensure that all members were paid the appropriate amount for the 2020/21 year be provided to the Committee by 1 July 2021.

Resolved

That the Performance, Audit and Risk Committee:

- 1. receives the Action List.**

Cr Nicole Marshall/Cr Grant Edge
CARRIED

7.2 **Public Transport Financial Update**

Refer page 23 – Performance, Audit and Risk Committee Agenda

Stewart Gibbon presented this report. He advised that the Real Time Information System was getting ready to go live at the end of June.

In reply to a question regarding patronage of the Kaiapoi service, Stewart confirmed that so far it was not as high as was anticipated and a survey will be undertaken after 12 months.

Regarding the advertising of the Council's Long-Term Plan on buses Stewart advised that the Council's contracts with the operators provides for the Council to have some advertising space. The actual advertisement was paid for by the Council.

It was noted that new electric buses were due to be delivered and tested in July. These will include four buses from GBV in Rolleston. Stewart explained that, based on the Auckland experience, driver training would be needed as the electric vehicles were quite different for the drivers. The charging would be the responsibility of the operators.

Resolved

That the Performance, Audit and Risk Committee:

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

Tumu Taiao laean Cranwell/Cr Claire McKay
CARRIED

7.3 **Bancorp Treasury Services Quarterly Report ending 31 March 2021**

Refer pages 34 to 51 of the agenda

Tarsha Triplow presented this report.

Resolved

That the Performance, Audit and Risk Committee:

- 1. acknowledges the provision of the Bancorp Quarterly Report for the quarter ending 31 March 2021.**

Graeme McGlinn/Cr Ian Mackenzie
CARRIED

7.4 **Portfolio financial report April 2021**

Refer page 52 – Performance, Audit and Risk Committee Agenda

Tarsha Triplow presented the Portfolio Financial Report for the period ended 30 April 2021 and advises a correction to figures in paragraph 3 on page 52 of the agenda. The operating surplus was \$8.86million compared to a budgeted deficit of \$6.5million, a favourable variance of \$15.36million.

Resolved

That the Performance, Audit and Risk Committee:

- 1. receives the Portfolio Financial Report for the period ended 30 April 2021.**

Cr Ian Mackenzie/Cr Grant Edge
CARRIED

7.5 Financial health reports April 2021

Refer page 61 – Performance, Audit and Risk Committee Agenda

Tarsha Triplow presented this report. Corrections to paragraph 4 of the report (page 61 of the agenda) as advised for the previous report were noted: The operating surplus was \$8.86million compared to a budgeted deficit of \$6.5million, a favourable variance of \$15.36million.

Resolved

That the Performance, Audit and Risk Committee:

- 1. receives the monthly Financial Health Report for the period ended 30 April 2021.**
- 2. notes the table of unbudgeted expenditure that has already been approved by Council.**

Tumu Taiao laean Cranwell/Cr Claire McKay
CARRIED

8. Audit

8.1 Stimulus and Shovel Ready Projects and Associated Reporting

Refer pages 68 to 90 of the agenda

Jen Nicholson and Steve Law from Deloitte were welcomed to the meeting to present their report 'Stimulus & Shovel Ready Projects – Current State Review, Environment Canterbury March 2021'.

The Committee considered the report and particularly the key findings on page 73 of the agenda.

Nicholas Hill advised that the data provided to the funders would also be included in the Council's normal financial reporting. A separate report will also be provided to this Committee, this will include engagement with Ngāi Tahu.

In response to a question regarding projects that maybe outside of the Council's core business Nick Daniels advised that the projects were part of the Council's work programme; the difference was a matter of scale.

Cr Mackenzie requested that reports be provided to the relevant Council Committee, including the Catchment Subcommittee.

Resolved

That the Performance, Audit and Risk Committee:

1. receives the report and acknowledge the process to gain independent assurance on the matters reviewed; and
2. endorses the steps required to implement recommendations in the report.

Tumu Taiao Iaeān Cranwell/Cr Grant Edge
CARRIED

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.	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 1.2 1.3 1.4	Chaney's property Living Wage Healthier Homes Canterbury Unbudgeted Fixed Asset Disposals – May 2021	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 1.2	Protect information where the making available of the information would likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)
1.1	Protect information which is subject to an obligation of confidence, where the making available of the information would damage the public interest – Section 7(2)(c)(ii)
1.2 1.3 1.4	Enable the Council holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)
1.1 1.2 1.4	Enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)
1.1 1.3	The withholding of the information is necessary to maintain legal professional privilege – Section 7(2)(g)

That appropriate officers remain to provide advice to the Committee.

Tumu Taiao Iaeān Cranwell/Cr Claire McKay
CARRIED

The meeting went into public excluded session from 3.25pm to 4.18pm.

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**

Noting that next meeting was scheduled for 19 August 2021 it was suggested that another meeting could be held before August if necessary, to update the Committee work underway. Regular reporting could wait until the August meeting.

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

Karakia: Councillor Grant Edge

The Chair declared the meeting closed at 4.21pm.

CONFIRMED

Date

17 JUNE 2021

Chairperson