

**MINUTES OF AN ORDINARY MEETING OF THE
AUDIT AND RISK SUBCOMMITTEE
HELD IN THE COUNCIL CHAMBERS
ON TUESDAY 6 AUGUST 2024 COMMENCING AT 9AM**

PRESENT

Ms A Elstob (Chair), Councillors P Dean (Deputy Chair), M B Lyall (Acting Mayor), N C Reid and Mr B Gemmell

ATTENDEES

Messrs. T Harris (Executive Director Enabling Services), S Gibling (Executive Director People, Culture & Capability), M McGrath (Chief Digital Officer) and W Stack (Health and Safety Lead); Mesdames D Kidd (Executive Director Community Services and Facilities), A Sneddon (Chief Financial Officer), P Parata-Goodall (Executive Cultural Advisor), D Cross (Acting Head of Legal), S Healy (Risk Manager), F Radcliffe (Financial Controller), J Nicholson (Head of Programme and Performance), M Mudgway (Health and Safety Specialist), L Fawcett (Head of People), T Van Der Velde (Assistant to the ED Enabling Services) and C Bennet (Governance Coordinator)

Mr Julian Tan from Audit New Zealand was welcomed to the meeting by the Chair.

The meeting was opened with a karakia.

APOLOGIES

Apologies were received from Mayor Broughton and Councillor Epiha.

Moved – Councillor Dean / **Seconded** – Councillor Lyall

‘That the Audit and Risk Subcommittee receive the apologies from Mayor Broughton and Councillor Epiha.’

CARRIED

EXTRAORDINARY OR GENERAL BUSINESS

None.

CONFLICTS OF INTEREST

None.

TERMS OF REFERENCE

For information only.

ORDER OF BUSINESS

CONFIRMATION OF MINUTES

Minutes of the ordinary meeting of the Audit and Risk Subcommittee held on Wednesday 7 February 2024.

Moved – Councillor Reid / **Seconded** – Councillor Dean

‘That the Audit and Risk Subcommittee confirms the minutes of the ordinary meeting of the Subcommittee held on Wednesday 7 February 2024, as circulated.’

CARRIED

Minutes of the ordinary meeting of the Audit and Risk Subcommittee held on Tuesday 7 May 2024.

Moved – Mr Gemmell / **Seconded** – Councillor Dean

‘That the Audit and Risk Subcommittee confirms the minutes of the ordinary meeting of the Subcommittee held on Tuesday 7 May 2024, as circulated.’

CARRIED

REPORTS

Chairperson’s Report

Chairperson’s (Verbal) Report

Subcommittee Chair, Ms Analisa Elstob, said that she had recently attended an online hui which included a very informative PowerPoint presentation on ageing infrastructure. For the information of all she will upload it to the Resource Centre in Diligent. Ms Elstob reported she has had several constructive governance meetings with CORDE.

Moved – Councillor Dean / **Seconded** – Mr Gemmell

‘That the Audit and Risk Sub-Committee receives for information the (verbal) report from the Chairperson.’

CARRIED

Joint Director's Report

Executive Director People, Capability and Culture & Chief Financial Officer

Mr Steve Gibling, Executive Director People, Capability and Culture, said the reshaping of the meeting agenda and work programme should better assist the Subcommittee in its decision making. The agenda will be based on Council's strategic objectives.

Moved – Councillor Reid / **Seconded** – Councillor Dean

'That the Audit and Risk Subcommittee:

- a) Receive the report Executive Directors Joint Report to July 2024; and*
- b) Note the 2023 Audit and Risk Work Programme and provide feedback to staff on changes or amendments to be made in developing the 2024/25 Work Programme.'*

CARRIED

Health, Safety and Wellbeing Update

Health and Safety Lead & Head of People

Mr Wayne Stack, Health and Safety Lead, confirmed that Councillors will have access to the GIS Location of Interest system that is nearing completion. Members asked if other factors had been investigated in the *Critical Risk – Driving* portion of the report. Other factors could have contributed to the accident – sun strike, or lighting for example, and not just driver behaviour. Staff confirmed that these had been investigated however it had not been documented in this report. Members asked that details of the wider investigation be included in the reporting in future.

There was a discussion about contractor management and the prequalification process followed when providers are selected. The Chair reinforced the importance of not abdicating responsibility for health and safety to contractors.

The importance of identifying impediments to creating a culture that is both safe and efficient was highlighted. Staff were reminded to include psychosocial factors in health, safety and wellbeing. It was noted that the Employee Assistance Programme (EAP) numbers appear low, which was not necessarily a great measure of wellbeing.

Moved – Councillor Dean / **Seconded** – Councillor Lyall

'That the Audit and Risk Subcommittee receive the Health, Safety and Wellbeing Update Report.'

CARRIED

IMPAC Health and Safety Assessment

Executive Director People, Culture and Capability

It was acknowledged that while the IMPAC report is dated, it does contain important information. Staff said that the recommendations are being actively monitored.

Moved – Councillor Dean / **Seconded** – Councillor Reid

'That the Audit and Risk Subcommittee:

- 1. receive the 'IMPAC Health and Safety Assessment' report*
- 2. note progress on the key recommendations from the 2020 IMPAC Health and Safety Assessment and areas requiring immediate (red) and ongoing attention (orange)*
- 3. request :*
 - a) that a plan is developed that establishes regular site visits for ELT and Governance*
 - b) implement H&S training for Governance*
 - c) a report back to the Audit and Risk Subcommittee on undertaking Officer due diligence requirements for action*
 - d) regular progress reports on the open actions from the 2020 and subsequent 2024 reviews.'*

CARRIED

People Dashboard Report – May 2024

Head of People

Mrs Lisa Fawcett, Head of People, presented this report. In answer to a question from the Subcommittee she said that a simple database system is used by the Human Resources Team. As a result of funding decisions made in the recent Long-Term Plan money has been budgeted for a software package that will be specific to their needs. The Chair requested alignment with the People Dashboard report back to other health, safety and wellbeing risk reporting.

Moved – Councillor Lyall / **Seconded** – Mr Gemmell

'That the Audit and Risk Subcommittee receive the Selwyn District Council People Dashboard Report May 2024.'

CARRIED

Internal Audit Programme

Risk Manager

Risk Manager, Mrs Sonja Healy, presented the report. A concern was raised that the 3-year programme prepared by Deloitte appears generic. The first year is a good starting point, however, moving forward it would be good to see how constrained capital was bid for, allocated and controlled. The Subcommittee wants to ensure that Deloitte are providing good value for money as Council progresses the programme. The programme needs regular review to ensure strategic risks are understood.

There was discussion about the potential conflict of having Deloitte working with both Council and CORDE, a Council Controlled Organisation (CCO).

Moved (as amended) – Mr Gemmell / Seconded – Councillor Reid

‘That the Audit and Risk Subcommittee:

- a) Receive the Internal Audit Programme Update Report; and*
- b) Recommends to Council the endorsement of the proposed work programme for Internal Audit for **year one.**’*

CARRIED

Risk Framework Update

Risk Manager

The Subcommittee asked staff to link the risk framework with Council's risk appetite while also linking it to Council's strategic objectives. Staff confirmed they would incorporate this in the risk register. The Chair encouraged staff to get the correct balance between good practice and what was fit for purpose for Selwyn.

Moved – Councillor Dean / Seconded – Councillor Reid

‘That the Audit and Risk Subcommittee:

- a) Receive the Risk Management Framework Update Report; and*
- b) Endorses the proposed work programme for Risk Management.’*

CARRIED

Meeting adjourned for a morning tea break between 11am and 11.15am

Quarterly Treasury Report

Chief Financial Officer

Mrs Firangiz Radcliffe, Financial Controller, highlighted the key points in the report. The reporting dashboard is being fine-tuned to ensure the information provided is accurate. Staff were encouraged to find a balance between data and commentary in their reporting.

It was noted by the Chair the importance of linking reporting back to the associated strategic risk. This will give the Subcommittee a greater level of confidence that the risks are being managed.

Moved – Councillor Lyall / Seconded – Mr Gemmell

‘That the Audit and Risk Subcommittee receives for information the Selwyn District Council Treasury Quarterly Report for the quarter ended 30 June 2024.’

CARRIED

Audit New Zealand Report Presentation
Chief Financial Officer

Mr Julian Tan from Audit New Zealand addressed the meeting. He said there were many lessons learnt during the Long-Term Plan process. It was noted that some of issues faced were a result of staff changes and the rapid growth the district has experienced. The Subcommittee thanked Mr Tan for the comprehensive report and described it as very informative and instructional.

Councillor Dean left the meeting at 11.40am

There was a brief discussion about vested assets and how these are valued.

Moved – Councillor Reid / **Seconded** – Mr Gemmell

“That the Audit and Risk Subcommittee receives the report to the Council on the audit of Selwyn District Council’s long-term plan for the ten-year period commencing 1 July 2024 to 30 June 2034.”

CARRIED

GENERAL BUSINESS

None

RESOLUTION TO EXCLUDE THE PUBLIC

Section 7(2)(c)(ii) was included as an additional reason to exclude the public for the LGOIMA Report.

Moved (as amended) – Councillor Lyall / **Seconded** – Councillor Reid

*That the public be excluded from the following proceedings of this meeting:
The general subject matter to be considered while the public is excluded, the reason of passing this resolution in relation to the matter, 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:*

General subject of each matter to be considered		Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution	Date information to be released
1.	Public Excluded Minutes		Section 48(1)(a)	

2.	LGOIMA Report	Good reason to withhold information exists under Section 7		
3.	Cyber Security Report			
4.	Privacy Breach report and update			

This resolution is made in reliance on Section 48(1)(a) 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 or Section 6 or Section 7 or Section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

1-4	enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities; or enable any local authority holding the information to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 7(2)(h) & (i)
2 & 4	Withholding of information is necessary to protect the privacy of natural persons, including that of deceased natural persons	Section 7(2)(a)
2	<i>The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</i>	Section 7(2)(c)(ii)

2. that appropriate officers remain to provide advice to the Committee.

CARRIED

The meeting moved into Public Excluded at 11.45am and resumed in public at 12.34pm.

The meeting closed at 12.34pm.

DATED this 05 day of November 2024



CHAIRPERSON