

**MINUTES OF AN ORDINARY MEETING OF THE  
AUDIT AND RISK SUBCOMMITTEE  
HELD IN THE COUNCIL CHAMBERS  
ON TUESDAY 6 MAY 2025 COMMENCING AT 9.00AM**

**PRESENT**

Ms A Elstob (Chair), Mayor S T Broughton, N C Reid; and Mr B Gemmell

**ATTENDEES**

Mrs S Mason (Chief Executive); Messrs; R Love (Executive Director Development and Growth), T Mason (Executive Director Infrastructure and Property), M England (Head of Asset Management), W Stack (Health and Safety Lead), N Koch (Head of Financial Control), J Knight (Head of Health, Safety and Wellbeing), Mesdames; A Sneddon (Chief Financial Officer), J Hands (Head of Legal and Risk), S Healy (Risk Manager), M Mudgway (Health and Safety Specialist), T Copping (Wellbeing Lead), K Hansen (Head of People), H Tate (Communications Advisor), J Beker (Legal Counsel, Policy and Compliance); and Ms T Davel (Senior Governance Advisor) and Mr B Adhikari (Governance Coordinator)

Staff from Audit NZ were also in attendance.

The meeting was opened with a karakia.

**APOLOGIES**

An apology was received from Councillor S Epiha

**Moved** – Mayor Broughton / **Seconded** – Councillor Reid

*‘That the Audit and Risk Subcommittee receive the apology from Councillor Epiha.’*

**CARRIED**

**EXTRAORDINARY OR GENERAL BUSINESS**

None.

**CONFLICTS OF INTEREST**

None.

**TERMS OF REFERENCE**

For information only.

**ORDER OF BUSINESS**

## 1. CONFIRMATION OF MINUTES

**Minutes of the ordinary meeting of the Audit and Risk Subcommittee held on Monday 24 March 2025.**

**Moved** – Mr Gemmell / **Seconded** – Mayor Broughton

*‘That the Audit and Risk Subcommittee confirms the minutes of the ordinary meeting of the Subcommittee held on Monday, 24 March 2025, as circulated.’*

**CARRIED**

## REPORTS

### 2. Chairperson’s Report

*Chairperson’s (Verbal) Report*

The Chairperson thanked the Emergency Management team for their recent responses to the climate events.

She also shared that she had attended a session run by Audit New Zealand and hosted by Ron Warmington. She noted that she would share the presentation with members.

Additionally, the Chairperson attended a regular bi-monthly meeting of CORDE alongside Council’s Chief Executive and noted that the structured agenda covers both strategic and operational matters.

**Moved** – Ms Elstob / **Seconded** - Mayor Broughton

*‘That the Audit and Risk Subcommittee receives the Chairperson’s (verbal) Report to the Subcommittee, for information.’*

**CARRIED**

## Actions Table

Item	Meeting referred from	Action required	Report Date
Local Government Official Information and Meetings Act (LGOIMA)	24 March 2024	A request from the subcommittee for staff to compile statistics on LGOIMA numbers, including numbers on repeat applicants.	5 August 2025

### 4. Executive Director's Report

#### *Executive Director People, Culture and Capability*

There were discussions on the Building Consent Authority (BCA), why it was considered a risk, and why it should rather be seen as beneficial for Selwyn. There were also questions about potential flight risks for staff. The staff responded that the Building Act 2004 has always allowed for private BCAs to go through the accreditation process. However, registration is a difficult process, and there has only been one private BCA established so far.

The staff stated that there is a target of around 1,000 low-risk buildings at this stage, with double that number expected in the second year. This is projected to generate \$3.2 million in revenue, although 45–50% of this revenue goes to the Ministry and the Building Research Association.

They stated that BCAs have the responsibility to lodge plans with the Territorial Authority (TA), and the fees they pay could generate revenue. There is a professional partnership programme in place, which creates efficiency in consenting and helps fast-track consents during busy periods. It was discussed that the Council could face residual risks, as it would be left dealing with complex issues, in addition to staff loss and changes in income. However, there are opportunities for an agreeable working partnership programme.

Noting the upcoming legislative changes, staff stated that one key announcement was the introduction of the living wage and a commitment to a 4.2% pay increase. However, it was unclear how this would impact operations, as bargaining is scheduled for June. The Chief Executive noted that there was no workforce strategy in place, but this is one of the KPIs that will influence future reporting. The Chairperson suggested that the dashboard does not need to be so detailed and could instead be included as part of the Executive Director's report.

Mr Gemmell added that it would be beneficial for the Subcommittee to see outcomes at governance level, rather than the detail and confirmed with the Chief Executive that detail was being socialised at senior leadership level.

**Moved** – Mayor Broughton / **Seconded** – Mr Gemmell

*'That the Risk and Audit Subcommittee receives the report 'Executive Directors Joint Report to April 2025.'*

**CARRIED**

## **5. Health, Safety and Wellbeing Update**

*Head of Health, Safety and Wellbeing, Health and Safety Lead, and Wellbeing Lead*

The Health and Safety team is currently developing a comprehensive strategy and charter to guide future initiatives. Positive outcomes have been observed from recent worksite visits, with the critical risk management programme steadily progressing and improving. The GIS-based location of interest programme has been tested and is ready for launch. Additionally, Telus Health is being set up as the new Employee Assistance Programme (EAP), introducing new well-being initiatives, including the GoodYarn programme.

Concerns were raised about heightened behavioural issues at Council facilities. It was emphasized that expectations for respectful behaviour should be clearly communicated, and staff should not be subjected to abuse or inappropriate conduct. A response process is in place to manage such behaviour, which may include issuing trespass notices or removing individuals from facilities.

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

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

**CARRIED**

## **6. Audit NZ Audit Plan**

*Head of Financial Control and Audit New Zealand staff*

A new Director from Audit New Zealand has commenced their first audit with Selwyn District Council. The director also serves as component auditor for CORDE. It was noted that new group auditing standards will require increased engagement throughout the process.

It was noted that several lessons were learnt from the past years and a full planning session has been scheduled. The timelines will be shared with Audit New Zealand to ensure transparency.

**Moved** – Mayor Broughton / **Seconded** – Councillor Reid

*‘That the Audit and Risk Subcommittee receives for information the Audit New Zealand (AuditNZ) Audit Plan for Year Ending 30 June 2025.’*

**CARRIED**

## **7. Quarterly Treasury Report for the quarter ended 20 December 2024**

*Head of Financial Control*

A summary of the Treasury Report was presented outlining the current financial position. In response to a query about borrowing in relation to the Long-Term Plan, it was clarified that borrowing was established on a needs basis. The finance team is actively exploring additional facility options and looking at the Local Government Funding Agency.

**Moved** – Councillor Reid / **Seconded** – Mayor Broughton

*‘That the Audit and Risk Subcommittee receives for information the Selwyn District Council Quarterly Treasury Report for the quarter ended March 2025.’*

**CARRIED**

## **8. Internal Audit Report**

*Head of Legal and Risk and Risk Manager*

An update was provided on internal audit programme prepared with outputs from Deloitte's work on the Internal Audit of Sensitive Expenditure. The planned procurement review has been delayed for now. Council received a rating of 2 / 5 with 3 considered the benchmark.

It was noted that the financial hygiene project was underway, which will help address how coding is done in future. There were discussions around the need to clarify whether lower-rated findings are systematic or isolated anomalies. Deloitte indicated that some issues, such as not understanding the purchase order processes, explain why there was a lower rating of 2 / 5. It was also noted that the audit covered a period ending June 2024, and improvements have already been made since then.

**Moved** – Mayor Broughton / **Seconded** – Mr Gemmell

*‘That the Audit and Risk Subcommittee:*

- a) Receive the “Internal Audit Update” report*
- b) Receive for information the “Sensitive Expenditure Internal Audit” report.’*

**CARRIED**

*Morning tea break between 10.44am – 10.55am*

### **9.Risk Management Update**

*Head of Legal and Risk; and Risk Manager*

A risk management roadmap has been developed with support from an independent consultant. A risk appetite workshop is planned and will be facilitated by the consultant. The workshop will firstly be delivered to the Executive Leadership Team (ELT), followed by a wider rollout to the broader team.

Work is currently underway on the risk register, which involves collaborating with Heads of Departments (HoDs) to identify and understand key risks. When asked how risk management would progress within the organisation without additional staffing, staff responded that engagement with team leaders and HoDs is being prioritised, with risk discussions included in their regular agendas. Staff are also working directly with teams to create or update risk registers.

In response to a query about how to address risk-related issues, it was confirmed that any such concerns can continue to be raised through the Chief Executive or the Mayor, and they will be addressed as needed.

*Councillor Reid left the Chambers at 11.18am*

It was noted that the upcoming risk management workshop is of interest, and its success can be measured by the extent to which participants understand what actions to take and how they can protect themselves.

*Councillor Reid returned to the Chambers at 11.22am*

**Moved** – Mayor Broughton / **Seconded** – Mr Gemmell

*‘That the Audit and Risk Subcommittee:*

- a) Receive the “Risk Management Update” report.*
- b) Endorse the SDC Risk Team Strategy and Roadmap.’*

**CARRIED**



## **10. Legal and Policy Report**

*Head of Legal and Risk and Legal Counsel - Policy and Compliance*

The ongoing continuous improvement document continues to evolve and the majority of work sits within the business-as-usual (BAU) space. While there are few claims or strategic issues, the Local Water Done Well programme remains a key area of attention.

The average response time for Local Government Official Information and Meeting (LGOIMA) requests has significantly decreased from an average of 23 days down to 12 days.

It was noted that contract management has been identified as a growing area.

**Moved** – Mayor Broughton / **Seconded** – Mr Gemmell

*‘That Audit and Risk Subcommittee receive the Legal and Policy Report’*

**CARRIED**

## **GENERAL BUSINESS**

The chairperson thanked Councillor Phil Dean who has resigned from his role as a councillor for his time and contribution on the Audit and Risk subcommittee. The subcommittee wishes him a best of luck for his future endeavours.

## **RESOLUTION TO EXCLUDE THE PUBLIC**

**Moved** – Mayor Broughton / **Seconded** – Councillor Reid

**Recommended:**

*‘1. 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:*

<i>General subject of each matter to be considered</i>		<i>Reasons for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>	<i>Date information to be released</i>
1.	Public Excluded Minutes	<i>Good reason to withhold information exists under Section 7</i>	Section 48(1)(a)	
2.	Compliance Report			

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	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.	The withholding of the information is necessary to maintain legal professional privilege	Section 7(2)(g)

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

**CARRIED**

*The meeting moved into public excluded at 11.39am.*

*With no further business the meeting ended at 11.48am*

DATED this 05 day of 08 2025



**CHAIRPERSON**