



MINUTES OF AN ŌPŌTIKI DISTRICT COUNCIL AUDIT AND RISK COMMITTEE MEETING HELD ON MONDAY, 13 SEPTEMBER 2018 IN THE OPOTIKI DISTRICT COUNCIL CHAMBERS, 108 ST JOHN STREET, ŌPŌTIKI AT 10.00AM

PRESENT:

Councillor Arihia Tuoro (Chairperson)
Councillor Ken Young
David Love
Mayor John Forbes

Deputy Mayor Lyn Riesterer

IN ATTENDANCE:

Aileen Lawrie (Chief Executive Officer)
Bevan Gray (Finance and Corporate Services Group Manager)
Gerard McCormack (Planning and Regulatory Group Manager)
Billy Kingi (Chief Financial Officer)
Tina Gedson (Property Officer)
Gae Newell (Personal Assistant to CEO and Mayor)

MEDIA:

James Sandbrook (Ōpōtiki News)

APOLOGIES

His Worship the Mayor for lateness; Councillor Young for lateness.

RESOLVED

(1) That the apologies be sustained.

Love/Tuoro

Carried

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

David Love noted that he is a Bay of Plenty Regional Councillor and is also a member of the Regional Council's Audit and Risk Committee.

Councillor Young entered the meeting at 10.03am.

PUBLIC FORUM

Nil.

1. CONFIRMATION OF MINUTES – AUDIT AND RISK COMMITTEE MEETING 16 AUGUST 2018 **p5**

In response to a query from David Love as to whether there has been any action regarding banking, the Finance and Corporate Services Group Manager stated that this is an in-committee item later in the agenda.

Councillor Young queried if a letter has been sent to the Bay of Plenty Regional Council in relation to the current position with the Harbour Development Project.

The Chief Executive Officer advised that letters have been sent to the Regional Council.

The Ōpōtiki Harbour Development Project will be discussed at the 27 September 2018 Bay of Plenty Regional Council meeting.

Action: David Love to provide feedback to the Bay of Plenty Regional Council in relation to the current position with the Ōpōtiki Harbour Development Project.

The Chairperson noted that all action items which come out of Audit and Risk Committee meetings are to go on the Action Schedule.

It was noted that the Chairperson and Deputy Mayor Riesterer recently attended an LGNZ Chairing Practice Workshop.

RESOLVED

- (1) That the minutes of the Audit and Risk Committee meeting held on 16 August 2018 be confirmed as a true and correct record.**

Love/Young

Carried

His Worship the Mayor entered the meeting at 10.08am.

2. ACTION SCHEDULE

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The Finance and Corporate Services Group Manager stated that, despite the quick turnaround time between meetings, a couple of items on the Action Schedule have been completed.

Legislative Compliance

There is a report in the Draft Annual Report document (pages 103-110). This has been sent to Audit New Zealand for feedback on whether it meets the requirements. He noted that the auditors are on-site next week for two weeks.

The Chief Executive Officer commented that staff found the Legislative Compliance section difficult to populate.

Tolerance Levels on Purchase Orders

The Finance and Corporate Services Group Manager stated that he is comfortable with the tolerance levels Council now has. He will discuss this matter further with the auditors through the audit process, although he sees this item as completed.

The Finance and Corporate Services Group Manager advised that Audit New Zealand have not provided any specific guidance on the tolerance levels they wish to see but they are comfortable that Council is on the way to a controls based audit for next year.

His Worship the Mayor asked that the names of items such as Purchase Orders be written out in full, rather than using acronyms.

RESOLVED

(1) That the Action Schedule be received.

Young/Tuoro

Carried

The Planning and Regulatory Group Manager entered the meeting at 10.15am.

3 ADOPTION OF 2018 DRAFT ANNUAL REPORT FOR AUDIT

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The Chairperson and Councillor Young both noted that the Draft Annual Report document was received late and there was no time to read it properly.

David Love extended congratulations to staff for getting the document out, given the problems around the Harbour Project.

David Love conveyed some annoyance that the list of payments detailed on page 134 of the agenda showed miscellaneous items as being far more than the rest of the list, something which he always objects to. If miscellaneous items are that significant, there should be further detailing as to what they are.

The Finance and Corporate Services Group Manager will note the comments made by David Love on the Action Schedule to ensure consideration is given to providing more information where required through the process to complete the Annual Report.

The Finance and Corporate Services Group Manager advised the Committee of the items in the Draft Annual Report which need finalising.

RESOLVED

- (1) **That the report titled "Adoption of 2018 Draft Annual Report For Audit" be received.**
- (2) **That the committee adopt the 2018 Draft Annual Report for audit, noting the additions which still need to be made.**

Young/HWTM

Carried

4. KOHA REPORT

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RESOLVED

- (1) **That the report titled "Koha Report" be received.**

HWTM/Young

Carried

5. RESOLUTION TO EXCLUDE THE PUBLIC

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SECTION 48 LOCAL GOVERNMENT OFFICIAL INFORMATION & MEETINGS ACT 1987

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

- 6. Confirmation of In-Committee Minutes – Audit and Risk Committee Meeting 16 August 2018.**
- 7. Banking Update.**
- 8. Property Update.**
- 9. IANZ Audit Update.**

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each 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:

Item No	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
6.	Confirmation of In-Committee Minutes – Audit and Risk Committee Meeting 16 August 2018	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.	Section 48(1)(a)
7.	Banking Update	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.	Section 48(1)(a)
8.	Property Update	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.	Section 48(1)(a)
9.	IANZ Audit Update	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.	Section 48(1)(a)

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:

6.	Maintain effective conduct of public affairs Protect information Protect the privacy of natural persons Protection from improper pressure or harassment Carry out negotiations	Section 7(2)(f)(i) & (ii) Section 7(2)(b)(i) & (ii), (d) & (e) Section 7(2)(a) Section 7(2)(f)(ii) Section 7(2)(i)
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7.	Protect the privacy of natural persons Protect information Free and frank expression of opinions Carry out negotiations	Section 7(2)(a) Section 7(2)(b)(ii) Section 7(2)(f)(i) Section 7(2)(i)
8.	Protect the privacy of natural persons Protect information Free and frank expression of opinions Protection from improper pressure or harassment	Section 7(2)(a) Section 7(2)(b)(ii) Section 7(2)(f)(i) Section 7(2)(f)(ii)
9.	Protect information Protect the privacy of natural persons Free and frank expression of opinions Protection from improper pressure or harassment Prevent the disclosure of official information	Section 7(2)(b)(i) & (ii) Section 7(2)(a) Section 7(2)(f)(i) Section 7(2)(f)(ii) Section 7(2)(j)

The Chief Executive Officer advised that there are three items not on the agenda which need to be discussed with the Committee today and cannot be delayed. These items will be additions to the Resolution to Exclude the Public. The reasons why the items are not on the agenda are noted under each item listed below.

Pursuant to Section 48(1)(a) of the Local Government Official Information and meetings Act 1987, these three items will be discussed in-committee for the reasons noted.

Stormwater Update

Information has just come to hand and the Committee needs to be advised of the risk.
LGOIMA Section 7(2)(h) –Carry out commercial activities without prejudice or disadvantage.

Harbour Update

The latest information needs to be shared with the Committee.
LGOIMA Section 7(2)(b)(ii) – Protect information (commercial sensitivity).

Evolution Networks Update

Legal advice was only received earlier today.
LGOIMA Section 7(2)(b)(ii) – Protect information (commercial sensitivity).

Young/Love

Carried

The Property Officer entered the meeting at 10.35am.

James Sandbrook left the meeting at 10.37am.

RESOLVED

- (1) That the resolutions made while the public was excluded, except for clause 2 of the resolutions for the Evolution Networks Update item, be confirmed in open meeting.**
- (2) That the public be readmitted to the meeting.**

HWTM/Young

Carried

RESOLVED

- (1) That the in-committee minutes of the Audit and Risk Committee meeting held on 16 August 2018 be confirmed as a true and correct record.**

Love/Young

Carried

RESOLVED

- (1) That the Banking Update be received.**

Love/Young

Carried

RESOLVED

- (1) That the Property Update report as tabled be received.**

Love/Young

Carried

RESOLVED

- (1) That the IANZ Audit Update be received.**

Love/Young

Carried

RESOLVED

- (1) That the Stormwater Update be received.**

Tuoro/Love

Carried

RESOLVED

- (1) That the Evolution Networks Update be received.**

HWTM/Love

Carried

THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 12.34PM.

**THE FOREGOING MINUTES ARE CERTIFIED AS BEING A
TRUE AND CORRECT RECORD AT A SUBSEQUENT IN-
COMMITTEE MEETING OF THE AUDIT AND RISK
COMMITTEE ON 15 OCTOBER 2018.**

**COUNCILLOR ARIHIA TUORO
CHAIRPERSON**