



Minutes of an Ordinary Meeting of Finance, Audit & Risk Committee

5.28pm Wednesday 4 November 2015 held in the Council Chamber, Wairoa District Council, Coronation Square, Wairoa.

Present: Councillor J Harker (Chairman)

His Worship the Mayor Mr C Little, Councillor D Eaglesome-Karekare (Deputy Mayor), Philip Jones

F Power (Chief Executive Officer)
J Cox (Engineering Manager)
A Morton (Chief Financial Officer)
J Baty (Corporate Services Manager)
C McGimpsey (Governance Advisor and Policy Strategist)
A Sofo (Auditor)
Grant Taylor (Auditor)

Procedural Items

1. Civic Prayer

The civic prayer was given by the Corporate Services Manager

2. Apologies for absence

None

3. Declarations of Conflict of Interest

Councillor Harker declared a pecuniary interest for agenda item 15 – Procurement Risk, as he is an employee of QRS.

Philip Jones declared a pecuniary interest for agenda item 8 – Rating Review Proposal, as he is the consultant undertaking the review.

4. Chairman's Announcements

None

5. Items of Urgent Business not on the Agenda

None

6. Public Participation

None

7. Minutes of the Previous Meeting

<p><u>Resolved:</u> That the minutes of the Ordinary Meeting of the Finance, Audit & Risk Committee held on 29 July 2015 be confirmed as a correct record of the</p>

proceedings.

Eaglesome-Karekare/Little

10. Health & Safety Update

The Corporate Services Manager presented the report.

Committee members discussed:

- Mechanisms currently in place to monitor health and safety compliance with contractors across the organisation
- Health and safety as part of the procurement process
- The Council's Health and Safety Policy

Resolved:

That:

1. *The report be received;*
2. *Officers include monitoring of contractors in the update report for subsequent meetings*

Eaglesome-Karekare/Little

8. Rating Review Proposal

Philip Jones had declared an interest on this item at the start of the meeting and did not vote on the item.

The Chief Executive Officer presented the report.

Resolved:

That the report be received.

Harker/Eaglesome-Karekare

9. Contract Schedule

The Engineering Manager presented the schedule.

Committee members discussed:

- Difference between lowest price conforming and weighted attributes, and how these are chosen for each tender process
- The tender process
- The role of the committee in relation to procurement – to focus on risks associated with procurement
- Responsibilities as governors and operational responsibilities in relation to managing risks associated with procurement
- The review cycle of the procurement policy

Resolved:

That:

1. *The report be received;*
2. *The Chief Executive Officer provide a report to the next meeting on the status of procurement; including relevant documents, and a recommended process for reviewing and updating procurement policy and processes.*

Harker/Jones

11. Annual Report Update

The Chief Financial Officer gave a verbal update on the annual report process, the main points were:

- The Council has missed the statutory deadline for adoption of the 30th October due to delays around water revaluations, staff vacancies in Finance since December 2014, and the delay in finishing LTP work.
- There is work to be finalised for the auditors but the bulk of the outstanding work is near completion.

The Auditors presented their report on the annual report audit to date. They thanked the Chief Financial Officer for their good working relationship and the quality of material they receive from Council.

Committee members asked the Auditors questions in particular if there are any issues and if the final audit report would be a standard qualified audit result. Audit confirmed that they are intending at this stage to provide a standard qualified audit result.

Resolved: *That:*

1. *The Chief Financial Officer's verbal report be received;*
2. *The Ernst & Young report be received; and*
3. *The committee note the progress made to date.*

Eaglesome-Karekare/Little

12. Internal Audit Update

The Chief Financial Officer presented the report. A report was presented to HB LASS and the group is waiting on feedback from this meeting.

Resolved: *That the report be received*

Jones/Eaglesome-Karekare

Resolved: *That the Committee note the progress made to date.*

Jones/Little

13. Resolution to Exclude the Public

Resolved:

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

1. *Council Leases and Licences to Occupy*
2. *Procurement Risk*

The general subject of each matter to be considered while the public is excluded; the reasons 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:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) to the passing of this resolution
<i>Council leases and licences to occupy</i>	<p><i>Section 7 (2) (c) 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—</i></p> <p><i>(i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or</i></p> <p><i>(ii) would be likely otherwise to damage the public interest; or</i></p> <p><i>(f) maintain the effective conduct of public</i></p>	<p><i>48(1)(a) That the public conduct of the whole or 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 would exist:</i></p> <p><i>(i) where the local authority is named or specified in the Schedule 1 to this Act, under section 6 or section 7 (except section 7(2)(f)(i)) [of the Local Government Official Information and Meetings Act 1987]</i></p>

		<p><i>affairs through—</i></p> <p><i>(i) the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom section 2(5) applies, in the course of their duty;</i></p> <p><i>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;</i></p> <p><i>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</i></p>	
	<i>Procurement Risk</i>	<p><i>(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities;</i></p> <p><i>(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</i></p>	

Eaglesome-Karekare/Little

PUBLIC EXCLUDED: 6.38pm

PUBLIC READMITTED: 7.08pm

General Business

The Chief Executive Officer gave the Committee a verbal update on the archives project.

There being no further General Business Councillor Harker declared the meeting closed.

CLOSED: The meeting closed at **7.14pm.**

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Chair