



**I, Kitea Tipuna, Tumu Whakarae Chief Executive, hereby give notice that
Finance, Audit & Risk Committee Meeting will be held on:**

Date: Tuesday, 5 July 2022
Time: 1.30pm
Location: Council Chamber, Wairoa District Council,
Coronation Square, Wairoa

AGENDA

Finance, Audit & Risk Committee Meeting

5 July 2022

MEMBERSHIP: His Worship the Mayor Craig Little, Cr Jeremy Harker, Cr Denise Eaglesome-Karekare, Mr Philip Jones, Cr Danika Goldsack

The agenda and associated papers are also available on our website: www.wairoadc.govt.nz

For further information please contact us 06 838 7309 or by email info@wairoadc.govt.nz

Order Of Business

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| 3 | Declarations of Conflict of Interest | 5 |
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- 1 KARAKIA**
- 2 APOLOGIES FOR ABSENCE**
- 3 DECLARATIONS OF CONFLICT OF INTEREST**
- 4 CHAIRPERSON'S ANNOUNCEMENTS**
- 5 LATE ITEMS OF URGENT BUSINESS**
- 6 PUBLIC PARTICIPATION**

A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 5 minutes per person is allowed. As per Standing Order 15.1 requests to speak must be made to the Chief Executive Officer at least one clear day before the meeting; however this requirement may be waived by the Chairperson. Requests should also outline the matters that will be addressed by the speaker(s).

7 MINUTES OF THE PREVIOUS MEETING

Ordinary Meeting - 24 May 2022

**MINUTES OF WAIROA DISTRICT COUNCIL
FINANCE, AUDIT & RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, WAIROA DISTRICT COUNCIL, CORONATION SQUARE, WAIROA
ON TUESDAY, 24 MAY 2022 AT 1.34PM**

PRESENT: His Worship the Mayor Craig Little (via zoom), Cr Jeremy Harker, Cr Denise Eaglesome-Karekare, Mr Philip Jones, Cr Danika Goldsack (via zoom)

IN ATTENDANCE: **Kimberley Tuapawa** (Pouwhakarae – Pārongo/Wheako Kiritaki | Group Manager Information and Customer Experience), **Gary Borg** (via zoom Pouwhakarae – Pūtea/Tautāwhi Rangapū | Group Manager Finance and Corporate Support), **Stephen Heath** (Pouwhakarae – Hua Pūmau Hapori/Ratonga | Group Manager Community Assets and Services), **Alannah Marshall** (Kaiurungi Mana Ārahi me te Whakawhanake Ōhanga | Governance and Economic Development Officer), **Gay Waikawa** (Kaiurungi Mana Ārahi | Governance Officer), **Donna Moorcock** (People and Capability Manager | Kaiwhakahaere Hunga me te Aheitanga), **Lauren Jones** (Kaikaute Matua Pūtea | Senior Financial Accountant)

1 KARAKIA

Karakia was given by Pouwhakarae – Pūtea/Tautāwhi Rangapū | Group Manager Finance and Corporate Support, Mr Gary Borg.

2 APOLOGIES FOR ABSENCE

None.

3 DECLARATION OF CONFLICT OF INTEREST

Cr Jeremy Harker – Public Excluded Item 9.1 – Flooding Event and Risk to Council

4 CHAIRPERSON'S ANNOUNCEMENTS

The Chairperson advised after the meeting he is wanting to have an elected members only session as to where to from here with the committee.

5 LATE ITEMS OF URGENT BUSINESS

None.

6 PUBLIC PARTICIPATION

None.

7 MINUTES OF THE PREVIOUS MEETING**COMMITTEE RESOLUTION 2022/171**

Moved: Cr Denise Eaglesome-Karekare

Seconded: Cr Jeremy Harker

That the minutes [and confidential minutes] of the Ordinary Meeting held on 12 April 2022 be confirmed.

CARRIED

8 GENERAL ITEMS**8.1 THIRD QUARTER REPORT TO 31 MARCH 2022****COMMITTEE RESOLUTION 2022/172**

Moved: Cr Denise Eaglesome-Karekare

Seconded: Cr Jeremy Harker

That the Committee receive the report.

CARRIED

The Kaikaute Matua Putea | Senior Financial Accountant reported on levels of service through the Statement of Service Performance as well as the financials.

The Kaikaute Matua Putea | Senior Financial Accountant also highlighted forecast to 30 June 2022, overall performance close to or under budget, net positions, various departments there are some unders and overs in particular Te Wairoa o te Whanake project which was not part of the Long Term Plan budget but have seen this funded externally to a large extent which the impact is very minimal.

Also highlighted items on balance sheet borrowing under budget in large part of and investments maturing during the year.

Raised appreciation to staff for input into the Third Quarter Report.

Elected members acknowledged Quality Roading and Services (Wairoa) Ltd & Fulton Hogan for the work during the storm event.

The elected members queried measures not being met, are they never to be met or is there a plan to meet them.

The Kaikaute Matua Putea | Senior Financial Accountant not being met relate to consent of stormwater and wastewater still under way, non compliance by contractors and regulatory deadlines.

The Committee discussed:

- Rates outstanding.
- Falling main failure.
- Relationship with NZTA.
- Acknowledgement to community.
- Providing assurance where Council is doing well.
- Non financials.
- Safety work required.
- Minimise software failures.
- Price escalation.
- Re-evaluation.
- Special reserves update.
- Risks – reforms.

At 1:48 pm, Cr Danika Goldsack left the meeting.

At 1:53 pm, Cr Danika Goldsack returned to the meeting.

8.2 HEALTH, SAFETY AND WELLBEING UPDATE

COMMITTEE RESOLUTION 2022/173

Moved: Mr Philip Jones

Seconded: Cr Denise Eaglesome-Karekare

That the Committee receive the report.

CARRIED

Elected members discussed:

- Health & safety survey.
- Incidents reported.
- Concerning trends.
- Risks identified.

9 PUBLIC EXCLUDED ITEMS

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION 2022/174

Moved: Cr Jeremy Harker

Seconded: Mr Philip Jones

That the public be excluded from the following parts of the proceedings of this meeting at 2.29pm.

The general subject matter 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 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 for the passing of this resolution |
|---|---|--|
| 9.1 - Flooding event and risk to Council | s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities | s48(1)(a)(i) - 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 would exist under section 6 or section 7 |

CARRIED

COMMITTEE RESOLUTION 2022/175

Moved: Cr Denise Eaglesome-Karekare

Seconded: His Worship the Mayor Craig Little

That Council moves out of Closed Council into Open Council at 2.50pm.

CARRIED

The meeting closed at 2.51pm with a karakia by Pouwhakarae – Pūtea/Tautāwhi Rangapū | Group Manager Finance and Corporate Support, Mr Gary Borg..

The minutes of this meeting were confirmed at the Finance, Audit & Risk Committee Meeting held on 5 July 2022.

.....
CHAIRPERSON

8 GENERAL ITEMS

8.1 AUDIT 2022 UPDATE

Author: Lauren Jones, Kaikaute Putea Financial Accountant

Authoriser: Gary Borg, Pouwhakarae - Putea / Tautawhi Rangapu Group Manager
Finance and Corporate Support

Appendices: Nil

1. PURPOSE

- 1.1 To provide an update on the progress of the 2022 annual report and audit.

RECOMMENDATION

The Kaikaute Putea Financial Accountant RECOMMENDS that Committee receive the report.

2. BACKGROUND

- 2.1 This matter is presented to the Committee in support of its obligations under its Terms of Reference to monitor Council's audit programme and oversee the compilation of the Annual Report.
- 2.2 Although no decisions are required from the Committee, it has a critical role in ensuring that effective oversight is applied to the integrity and timeliness of the process and the information contained in the final Annual Report that is recommended for adoption by Council.

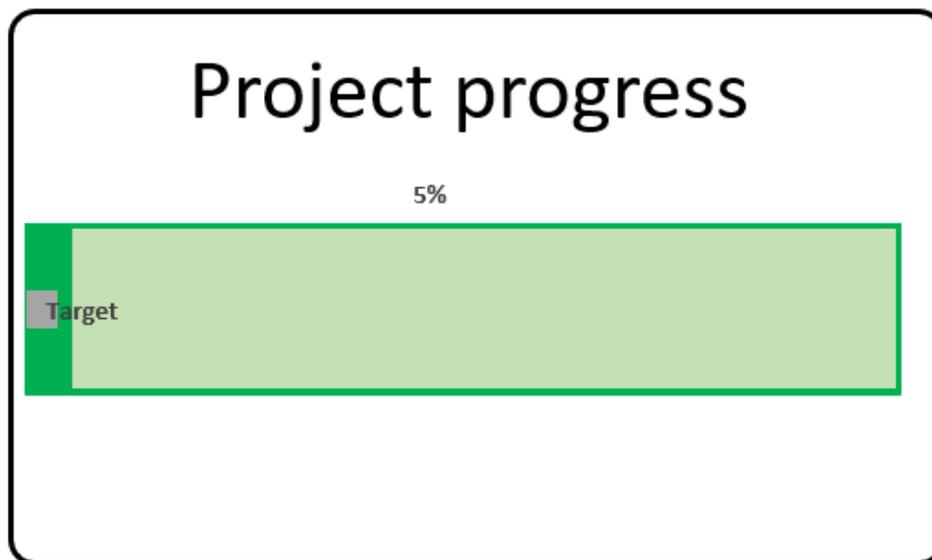
3. CURRENT SITUATION

- 3.1 The interim audit was completed remotely over the week 20-23 June.
- 3.2 The audit team has been impacted by COVID and other illness, and therefore remote work via the EY portal was an effective strategy that also reduces cost to Council (as we are not paying for their travel, accommodation and food).
- 3.3 100% of audit requests were completed and in the portal before the start date, and the audit team commented:
- “...key for us at interim was our control testing which has now been completed... thank you [the audit was] very smooth, appreciate how quick and responsive you and team have been – has really helped us get through our work especially given disruptions on our teams end due to covid”
- 3.4 We have requested that all final audit requests be uploaded to the portal to enable us to populate as we go through year end procedures.
- 3.5 The end of year task list has been circulated and is in a onedrive folder to allow simultaneous access. Although in the preliminary stages, we are seeing good engagement and working

with various activity managers etc to ensure the required work is understood and completed on time.

3.6 We are on track with our SSP metrics to report met/not met/not measured and commentary to the FAR committee at their August meeting.

| Key deadlines | | Progress |
|---------------------------|--------|---|
| SSP | 29-Jul | |
| Performance stories | 29-Jul | |
| Preliminary workpapers | 15-Aug | <div style="width: 100%; height: 10px; background-color: green;"></div> |
| Draft TB ready | 19-Aug | |
| Draft annual report | 12-Sep | |
| Audit documentation | 19-Sep | |
| Review of draft | 3-Oct | |
| Final report for adoption | 26-Oct | |
| Adoption | 31-Oct | |
| Summary report | 1-Nov | |
| Publish | 20-Nov | |



| Item | Owner (WDC) | Department | Deadline | Status | Completion % | File location |
|--|-----------------------|----------------------------------|----------|--------|--------------|--|
| 9 Audit workplan | Lauren | Finance | 4-Apr | 100% | 100% | G:\2021-22\Annual Report 2022\10 - Audit (final) |
| 10 Capitalisation to 30 April | Lauren / Finance Team | Finance | 31-May | 100% | 100% | |
| 11 Audit engagement letter | Lauren | Finance | 31-May | 100% | 100% | G:\2021-22\Annual Report 2022\10 - Audit (final) |
| Lease Commitments Schedule reviewed for changes compared to PY | Lauren | Finance | 23-Jun | 100% | 100% | Contracts |
| 12 (ie new/changed agreements). | | | | | | |
| 13 Audit interim fieldwork | Finance team | Finance | 23-Jun | 100% | 100% | G:\2021-22\Annual report 2021-22\Interim audit |
| 14 List of any properties held for sale (if any) at 30 June. | Richard | CAAS | 23-Jun | 100% | 100% | G:\2021-22\Annual Report 2022\09 - Notes to the Ac |
| 15 Infrastructural asset review | Lauren | Finance | 30-Jun | 15% | 15% | G:\2021-22\Annual Report 2022\05 - Non Current Ass |
| 16 Send impairment request and deadline to all managers | Lauren | Finance | 30-Jun | 70% | 70% | On WSP workplan |
| 17 CSR -review complete to 31 May | Alyssa | CAAS | 30-Jun | 90% | 90% | SSP |
| 18 Capitalisation to 31 May complete | Lauren / Finance Team | Finance | 30-Jun | 10% | 10% | G:\2021-22\Annual Report 2022\05 - Non Current Ass |
| 19 Stocktake: Water treatment plant | Russell / Morgan | Finance / CAAS | 30-Jun | 0% | 0% | G:\2021-22\Annual Report 2022\04 - Current Assets\ |
| 20 Stocktake: Gaiety Theatre | Russell / | Finance / Community & Engagement | 30-Jun | 0% | 0% | G:\2021-22\Annual Report 2022\04 - Current Assets\ |
| 21 Stocktake: iSite | Russell / Rubyanne | Finance / Community & Engagement | 30-Jun | 0% | 0% | G:\2021-22\Annual Report 2022\04 - Current Assets\ |
| 22 Reconcile GST to income/expenses (run report before rolling) | Lauren | Finance | 30-Jun | 0% | 0% | |
| 23 Request confirmations for all investments | Lauren | Finance | 5-Jul | 0% | 0% | G:\2021-22\Annual Report 2022\05 - Non Current Ass |
| Request Legal Confirmations for all lawyers used during the year. | Lauren/Jessie | Finance | 5-Jul | 0% | 0% | G:\2021-22\Annual Report 2022\10 - Audit\Legal Con |
| 24 | | | | | | |
| 25 Bank Reconciliation for all bank accounts as at 30 June. | Kay/Kim | Finance | 5-Jul | 0% | 0% | G:\2021-22\Annual Report 2022\04 - Current Assets\ |
| Roll workpapers, financial statement template, disclosures and wording | Lauren | Finance | 6-Jul | 10% | 10% | G:\Restrict\Finance Senior Management\2021-2022\ |
| 26 | | | | | | |
| IT datacom delivery slips, check against open POs and accrue for capitalisation/request | Lauren/Russell M | Finance/IT | 6-Jul | 25% | 25% | requested from datacom by Russell M |
| 27 Invoices sent ASAP! | | | | | | |
| List of all employees terminated including listing of all severance payments that have been made in the financial year | Lauren | Finance | 6-Jul | 0% | 0% | G:\Restrict\Finance Senior Management\2021-2022\ |
| 29 List of all new employees | Lauren | Finance | 6-Jul | 0% | 0% | G:\Restrict\Finance Senior Management\2021-2022\ |
| 30 A listing by employee of the Council's liability for ALT days, time in lieu, as at 30 June. | Lauren | Finance | 6-Jul | 0% | 0% | G:\Restrict\Finance Senior Management\2021-2022\ |

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

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| 9.1 - Update: Roading and risk (weather event response) | s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information | s48(1)(a)(i) - 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 would exist under section 6 or section 7 |