

HUTT CITY COUNCIL**AUDIT AND RISK SUBCOMMITTEE**

Minutes of a meeting held in the Council Chambers, 2nd Floor, 30 Laings Road,
Lower Hutt on

Wednesday 25 November 2020 commencing at 2.00pm

PRESENT: Ms S Tindal (Chair) Mayor C Barry (Deputy Chair)
Cr A Mitchell Cr J Briggs
Cr N Shaw

APOLOGIES: Cr D Bassett

IN ATTENDANCE: Ms J Miller, Chief Executive
Ms A Blackshaw, Director Neighbourhoods and Communities
Mr K Puketapu-Dentice, Director Economy and Development
Mr M Boggs, Director Strategy and Engagement (part meeting)
Mr B Hodgins, Acting Director Environment and Sustainability
(part meeting)
Ms J Livschitz, Chief Financial Officer
Mr B Cato, Chief Legal Officer (part meeting)
Ms C Ellis, Head of Chief Executive's Office
Mr G Stuart, Head of Regulatory Services and Emergency
Management (part meeting)
Mr S Cager, Senior Project Engineer (part meeting)
Mr A Yip, Strategic Projects Manager (part meeting)
Ms E Davids, Risk and Assurance Manager
Ms T Lealofi, Democracy Advisor

PUBLIC BUSINESS**1. APOLOGIES**

RESOLVED: (Ms Tindal/Cr Briggs)

Minute No. ARSC20601(2)

"That the apology received from Cr Bassett be accepted and leave of absence be granted."

2. PUBLIC COMMENT

There was no public comment.

3. CONFLICT OF INTEREST DECLARATIONS

There was no conflict of interest declarations.

4. **EASTERN BAYS SHARED PATH PROJECT UPDATE** (20/1327)

Report No. ARSC2020/6/284 by the Senior Project Engineer

The Director Economy and Development noted that the Project Board consisted of the Mayor, Chairs of the Standing Committees, the Chief Executive and the Project Sponsor.

The Senior Project Engineer highlighted an amendment to his report. He advised that it should read Covid Response and Recovery Co-funding not Covid Response and Recovery Funding. He gave a brief background of the Eastern Bays Shared Path project and advised the project had been developed over a five year period. He noted the extensive community engagement between 2016 and 2017.

He advised that a joint hearing date was scheduled for 15 - 17 December 2020, between Hutt City Council and Greater Wellington Regional Council. He advised of the \$15M received by Crown Infrastructure Partners as part of the co-funding Covid Response and Recovery fund in support of the project.

The Director Economy and Development advised that he had engaged with the Eastbourne Community Board. He said they have been in liaison with Mana Whenua, who were in support to phase two of the project.

RESOLVED: (Ms Tindal/Cr Shaw)

Minute No. ARSC 20602(2)

"That the Subcommittee:

- (i) receives and notes the information contained in the report;*
- (ii) notes the Project Terms of Reference (attached as Appendix 1 to the report) for the Eastern Bays Shared Path Project;*
- (iii) notes the project will be overseen by a Project Board which will make decisions within defined limits, as delegated by Council;*
- (iv) notes project assurance will be provided by the Audit and Risk Subcommittee, led by the Independent Chair, Suzanne Tindal;*
- (v) notes the project will provide reports to the Audit and Risk Subcommittee quarterly, unless there is a specific risk(s) or other matters which require an additional meeting;*
- (vi) notes the reporting requirements in the co-funding agreement in place with Crown Infrastructure Partners (attached as Appendix 4 to the report);*
- (vii) notes the current Tendering and Construction Programme (attached as Appendix 2 to the report);*
- (viii) notes the current Project Risk Register (attached as Appendix 3 to the report) and that this will be reviewed and updated as part of the quarterly reporting to the Audit and Risk Subcommittee; and*
- (ix) notes that public consultation on funding for the Eastern Bays Shared Path project was deferred due to the COVID-19 pandemic and that funding is now being included in the draft*

Long Term Plan (LTP) 2021-2031 that is subject to public consultation in March 2021 prior to inclusion in the final LTP 2021-2031 to be adopted by Council on 30 June 2021."

For the reason that the report is consistent with Council policies and processes around project management.

5. KERBSIDE RUBBISH AND RECYCLING (20/1490)

Report No. ARSC2020/6/297 by the Strategic Advisor

The Strategic Advisor elaborated on the report.

In response to a question regarding new fees, charges and remissions policy, the Strategic Advisor advised the additional fees applied to the change of bin sizes from the current bin size. He said there was an additional cost of replacing old bins.

In response to a question regarding the implementation phase, the Strategic Advisor advised he was the Project Manager who co-ordinated the wider Project Team. He said the Project Team met weekly to identify risks and issues and what resources were required.

Mayor Barry noted that communication was the one issue being raised by the local community. He added that this was a sensitive and complex change for the community and stressed the importance of communication.

The Chair recommended officers utilise colour coding (red, amber and green) of the project status report for the Long Term Plan/ Annual Plan Subcommittee (the subcommittee) to highlight what had been completed, what was incomplete and what potentially may be at risk.

RESOLVED: (Ms Tindal/Cr Mitchell)

Minute No. ARSC 20603(2)

"That the information in the report be noted."

6. **RISK MANAGEMENT UPDATE** (20/1376)

Report No. ARSC2020/6/285 by the Risk and Assurance Manager

The Risk and Assurance Manager elaborated on the report.

RESOLVED: (Ms Tindal/Cr Briggs)

Minute No. ARSC 20604(2)

"That the Subcommittee:

- (i) notes and receives the information contained in this report;*
- (ii) notes the Risk Register as updated by members of the Corporate Leadership Team (CLT), attached as Appendix 1 to the report;*
- (iii) notes the Corporate Leadership Team will review and approve new criteria for assessing risk. A report, including the new criteria, will be provided to the Audit and Risk Subcommittee on 25 February 2021; and*
- (vi) notes that a report on the outcome of the review of the Crisis Management Plan with the objective of aligning and integrating plans associated with Evacuation, Crisis Management, Business Continuity Planning and Emergency Management will be provided to the Audit and Risk Subcommittee on 25 February 2021."*

For the reason that risk reporting provides the Subcommittee with information to support its governance role.

7. **INTERNAL AUDIT UPDATE** (20/1377)

Report No. ARSC2020/6/286 by the Risk and Assurance Manager

The Risk and Assurance Manager elaborated on the report.

In response to a question regarding paragraph eight of the officer's report, the Chief Financial Officer advised work had been delayed due to COVID. She said Ernst and Young would undertake initial discovery work. She noted that the programme work would be undertaken with three to five weeks for completion.

RESOLVED: (Ms Tindal/Cr Mitchell)

Minute No. ARSC 20605(2)

"That the Subcommittee:

- (i) notes and receives the information contained in this report; and*
- (ii) notes the Corporate Leadership Team will approve an Internal Audit Plan 2021-2024. A report, including the plan, will be provided to the Audit and Risk Subcommittee on 25 February 2021."*

For the reasons that it provides the Subcommittee with information to support its governance role. Periodic reporting is stipulated in the internal audit charter and the internal audit functional reporting line to the Audit and Risk Subcommittee that supports its authority, objectivity and independence.

8. **AUDIT AND RISK WORK PROGRAMME 2020** (20/1411)

Report No. ARSC2020/6/124 by the Democracy Advisor

RESOLVED: (Ms Tindal/Mayor Barry)

Minute No. ARSC 20606

"That the Work Programme be noted and received."

9. **INFORMATION ITEMS**

a) **Procurement Update** (20/1412)

The Strategic Projects Manager elaborated on the memorandum.

Cr Briggs thanked the officer for his work. He noted Council was heading in the right direction regarding the Procurement Policy update. He looked forward to seeing the Procurement Policy operating across the organisation.

Members agreed with Cr Briggs' comments.

RESOLVED: (Ms Tindal/Cr Briggs)

Minute No. ARSC 20607

"That the Subcommittee receives and notes the memorandum."

b) **Group Annual Report** (20/1477)

The Chief Financial Officer gave a verbal update. She advised the draft Annual Report was presented to the Policy, Finance and Strategy Committee meeting. She highlighted the Council Controlled Organisation audits were scheduled to be signed off by the end of the week. She noted no new audit issues had been identified.

The Chief Financial Officer raised an issue with Wellington Water Limited's Annual Report regarding its performance measures. She advised the Group Annual Report would be signed off at the Long Term Plan/ Annual Plan Subcommittee meeting to be held on 21 December 2020. She warned members that the Group Annual Report may not be signed off if Wellington Water Limited's Annual Report was not signed off by Audit New Zealand.

c) **Managing COVID-19 Risks** (20/1378)

Report No. ARSC2020/6/287 by the Senior Advisor to the Chief Executive

The Risk and Assurance Manager elaborated on the report.

RESOLVED: (Ms Tindal/Cr Shaw)

Minute No. ARSC 20608

"That the Subcommittee receives and notes the information contained in the report."

10. **QUESTIONS**

There were no questions.

There being no further business the Chair declared the meeting closed at 3.03pm.



S Tindal
CHAIR

CONFIRMED as a true and correct record
Dated this 8th day of December 2020.