

Risk & Assurance Committee

Minutes of the meeting of Risk & Assurance Committee held in the Council Chambers, 1 Rosebank Terrace, Balclutha on Thursday 4 February 2021, commencing at 10.35 am.

Present Stephen Halliwell (Chairperson), His Worship the Mayor Bryan Cadogan, Councillors, Stewart Cowie, Bruce Graham, John Herbert, Alison Ludemann, Ken Payne, and Bruce Vollweiler.

In Attendance Steve Hill (Chief Executive), Sharon Jenkinson (Finance Manager), Christina Johnston (Risk Management Support Officer) Larissa Brown (Strategic Planning Manager), Sue Wilkins (Communications Advisor), Karen Piercy (Corporate Services Administrator) and Councillors, Wayne Felts, Joanne Thomson and Carol Sutherland.

Apologies There were no apologies.

DECLARATIONS OF INTEREST

There were no declarations of interest.

URGENT BUSINESS

There was no urgent business.

PUBLIC FORUM

There was no public forum.

1. CONFIRMATION OF MINUTES

The minutes of a meeting of the Risk & Assurance Committee held on 26 November 2020 were submitted for confirmation.

Moved Mayor Cadogan/Councillor Vollweiler and Resolved:

“That the Risk & Assurance Committee confirms as a true and correct record the minutes of the Risk & Assurance Committee held 26 November 2020.

Councillor Ludemann joined the meeting at 10.36am.

2. HEALTH AND SAFETY, RISK MANAGEMENT AND MAJOR PROJECTS REPORT

The Risk Management Support Officer submitted the Health and Safety, Risk and Major Projects report.

A video from Hamilton City Council on social media and verbal abuse was played to the meeting. Councillors will be invited to future training on managing abuse.

Councillor Sutherland joined the meeting at 10.54am.

There was some discussion on the risk of major contractors not fulfilling their contractual obligations and how this was being managed.

The category A Major Projects list was tabled as this was not included in the agenda.

Moved Councillors Vollweiler/Cowie and Resolved:

“That the Risk & Assurance Committee receives the Health and Safety, Risk and Major Projects Report.”

The Risk Management Support Officer left the meeting at 11.15 am.

3. TREASURY MANAGEMENT REPORT

The Finance Manager presented the Treasury Management report which brings together the Treasury Services Advisory Report and the Investment Portfolio Compliance & Monitoring Report into one as requested by the Committee last year.

Ben Trollip from MJW joined by Zoom at 11.16 am. He gave an outline of the investment portfolio and answered questions. Equity markets continue to exceed expectations while bond markets are not achieving expectations. Covid19 is having impacts on trade and the supply chain which should create downward pressure; however stimulus money appears to be offsetting this. Bond markets are offering lower than expected returns. Overall, there is volatility in the market and corrections are possible. While Council could expect some adverse results, overall council is in a good position with a balanced portfolio.

Fund manager Nikko is managing the funds well. There is a case to diversify fund management exposure, however it is acceptable to have one fund manager as different parts of the portfolio are managed by different people.

It was discussed whether the reporting period for the fund if changed to December would better inform the budget process, pros and cons were discussed and no change was made.

Moved Councillors Ludemann/Cowie and Resolved:

“That the Risk & Assurance Committee receives the Treasury Management Report.”

ITEMS TO BE TAKEN OUT OF ORDER

7. Management Accounts report

8. Risk & Assurance Committee Work Programme

Moved S Halliwell/Councillor Cowie and Resolved:

“That the order of the agenda be changed to take item 7 and 8 before items 4, 5 and 6.”

4. WAS ITEM 7 IN AGENDA RUNNING ORDER: - MANAGEMENT ACCOUNTS REPORT

The Finance Manager presented the Management Accounts Report for the period 1 July 2020 to 31 December 2020.

Moved Councillors Cowie/Herbert and Resolved:

“That the Risk & Assurance Committee receives the Management Accounts report.”

5. WAS ITEM 8 IN AGENDA RUNNING ORDER: - RISK & ASSURANCE COMMITTEE WORK PROGRAMME

The Group Manager Corporate Services submitted the Risk & Assurance Committee Work Programme, seeking input and agreement on the programme’s focus.

Moved Councillor Vollweiler/Mayor Cadogan and Resolved:

1. *“That the Risk & Assurance Committee receives the Risk & Assurance Committee Work Programme report.”*

2. *“That the Risk & Assurance Committee approves the Work Programme report.”*

6. WAS ITEM 4 IN AGENDA RUNNING ORDER: - FINANCIAL STRATEGY REVIEW

The Strategic Planning Manager presented the Financial Strategy which is required to be reviewed by the Risk & Assurance Committee for feedback to Council. The Financial Strategy was circulated to the Committee separate to the agenda.

Mayor Cadogan left the meeting at 12.03pm and returned at 12.04pm.

The Finance Manager left the meeting at 12.04pm.

The Policy on Financial Contribution and Draft Revenue and Financing Policy 2021 were discussed in conjunction with the Financial Strategy Review. Committee members gave feedback on various amendments to the strategy and policies which will be referred to the council workshop on 11 February 2021.

Moved Councillors Vollweiler/Payne and Resolved:

“That the Risk & Assurance Committee receives the Policy on Financial Contribution, Revenue and Financing Policy and Draft Revenue and Financing Policy reports.”

7. WAS ITEM 5 IN AGENDA RUNNING ORDER: - POLICY ON FINANCIAL CONTRIBUTION

This item was taken with the Financial Strategy Review report.

8. WAS ITEM 6 IN AGENDA RUNNING ORDER: - DRAFT REVENUE AND FINANCING POLICY 2021

This item was taken with the Financial Strategy Review report.

The meeting closed at 12.45 pm.

Read and Confirmed

Stephen Halliwell
CHAIRPERSON